

**COUNTY OF
ERIE,
PENNSYLVANIA**

**ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT**

**FOR THE YEAR ENDING
DECEMBER 31, 2022**

**Presented By:
Erie County Finance Department**

COUNTY OF ERIE, PENNSYLVANIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2022

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION:	
Letter of Transmittal	1-10
List of Elected and Appointed Officials	11
Organizational Chart	12
Certificate of Achievement for Excellence in Financial Reporting	13
FINANCIAL SECTION:	
Independent Auditor's Report	14-18
Management's Discussion and Analysis	19-35
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	37
Statement of Activities	38
Fund Financial Statements:	
Balance Sheet - Governmental Funds	39-40
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	41
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	42-43
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	44
Statement of Net Position - Proprietary Funds	45-46
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	47
Statement of Cash Flows - Proprietary Funds	48-49
Statement of Fiduciary Net Position - Fiduciary Funds	50
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	51
Notes to Financial Statements	52-113
Required Supplementary Information:	
Pension Plan Disclosures:	
Schedule of Changes in the County's Net Pension Liability (Asset) and Related Ratios:	
County	115-116
Blended Component Unit - Pleasant Ridge Manor	117-118
Schedule of County Contributions and Investment Returns	119-120
Notes to Schedules of Required Supplementary Information - Pension Plan	
County	121
Blended Component Unit - Pleasant Ridge Manor	122

COUNTY OF ERIE, PENNSYLVANIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2022

TABLE OF CONTENTS (CONTINUED)

OPEB Disclosures:	
County	123
Blended Component Unit - Pleasant Ridge Manor	124
Notes to Schedules of Required Supplementary Information - OPEB	
County	125
Blended Component Unit - Pleasant Ridge Manor	126
General and Major Special Revenue Funds	127
Schedule of Revenue, Expenditures, and Changes in Fund Balance -	
Budget to Actual:	
General Fund	128
Mental Health/Intellectual Disabilities Fund	129
Children and Youth Fund	130
Gaming Fund	130
Drug and Alcohol Fund	131
Health Choices Fund	132
ARPA Fund	133
Notes to Schedules of Required Supplementary Information	134
Supplementary Information:	
Nonmajor Governmental Funds:	136
Combining Financial Statements and Schedules:	
Combining Balance Sheet - Nonmajor Governmental Funds	137-138
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -	
Governmental Funds	139-140
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual	
General Fund	141
Liquid Fuels Fund	142
Domestic Relations Fund	143
Gaming Fund	144
Public Health Fund	145
Library Fund	146
Planning Fund	147
Public Safety Fund	148
Erie County Care Management, Inc.	149
Debt Service Fund	150
Capital Projects Fund	151
Fiduciary Funds:	152-153
Combining Statement of Fiduciary Net Position - Custodial Funds	154-155
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds	156-157
Combining Statement of Fiduciary Net Position - Pension Plans	158
Combining Statement of Changes in Fiduciary Net Position - Pension Plans	159
Capital Assets Used in the Operation of Governmental Funds:	
Schedule of Function and Activity	161
Schedule of Changes by Function and Activity	162

COUNTY OF ERIE, PENNSYLVANIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2022

TABLE OF CONTENTS (CONTINUED)

STATISTICAL SECTION:

Table of Contents	164
Financial Trends:	
Net Position by Component	166-167
Changes in Net Position	168-171
Fund Balances - Governmental Funds	172-173
Changes in Fund Balances - Governmental Funds	174-175
Program Revenues by Function/Program	176-177
Revenue Capacity:	
Assessed Value and Actual Value of Taxable Property	179-180
Direct and Overlapping Property Tax Rates	181-184
Principal Property Taxpayers	185
Property Tax Levies and Collections	186
Debt Capacity:	
Ratios of General Bonded Debt Outstanding	188
Direct and Overlapping Debt	189-190
Ratios of General Obligation Bonds Outstanding and Legal Debt Margin	191-192
Debt Statement Pursuant to Local Government Unit Debt Act	193
Borrowing Base Certificate	194
Demographic and Economic Information:	
Demographic and Economic Statistics	196
Principal Employers	197
Operating Information:	
Full-time Equivalent County Government Employees by Function/Program	199
Operating Indicators by Function/Program	200-203
Capital Assets Statistics by Function/Program	204-205
Salaries of Principal County Officials	206
Collective Bargaining Agreements	207



COUNTY OF ERIE

BUREAU OF GENERAL ACCOUNTING

Brenton Davis,
County Executive

Paul Lichtenwalter, Director
Ericka Knight, Manager

**Brenton Davis , County Executive
Members of County Council and
Citizens of Erie County**

June 30, 2023

Ladies and Gentlemen:

Both state law and Article V, Section 5d(7) of the Home Rule Charter require that within six months of the close of each year, a complete set of financial statements be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to this requirement, I am pleased to present the annual comprehensive financial report of the County of Erie for the fiscal year ended December 31, 2022.

This report consists of management's representations concerning the finances of the County of Erie. Consequently, management assumes full responsibility for the completeness and the reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County of Erie has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County of Erie's financial statements in conformity with GAAP. Because the cost of internal control should not outweigh their benefits, the County of Erie's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. This report is designed to provide information to various users including the taxpayers of Erie County, investors, creditors, government officials and the general public. Its intent is to describe the County's financial position and the financial results of its operations as of and for the year ended December 31, 2022.

The independent audit of the financial statements of the County of Erie was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grant agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County of Erie's separately issued Single Audit Report.

Governmental Accounting Standards Board Statement No. 34 requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County of Erie's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT – County of Erie, Pennsylvania

The County of Erie, incorporated in 1803, is one of 67 counties in the Commonwealth of Pennsylvania; it occupies the northwest corner of the State, adjacent to Ohio, New York and Lake Erie. Within the County is the City of Erie, the County seat and the fifth largest city in Pennsylvania, as well as 37 other municipalities. Erie County's 271,903 residents live within its 812 square miles.

The County of Erie is a third class county. The County is governed under a Home Rule Charter, which took effect in 1978, and provides for a County Executive elected at large to a four year term to perform the executive functions of government. The Home Rule Charter of the County of Erie also requires the adoption of an Administrative Code which details the administration and operation of the County. A part-time County Council is elected from seven districts within the County and serves as the legislative branch of government. The judicial branch of County government, the Court of Common Pleas, is comprised of nine elected judges and is part of the unified judicial system legislated by the Pennsylvania Constitution. The organization of the County is more fully described in the chart that follows this transmittal.

For financial reporting purposes, the County of Erie, Pennsylvania includes all funds and account groups that are controlled by or dependent on the County. Control by or dependence on the County was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligation of the County, or obligation of the County to finance any deficits that may occur or receipt of significant subsidies from the County.

REPORTING ENTITY

Statement of Government Accounting Standards No. 61, *"Financial Reporting Entity: Omnibus an amendment for GASB Statements No.14 and 34"*, establishes the standards for defining and reporting on the financial reporting entity. The primary government is the core or the nucleus of the financial reporting entity. For this report, the County is considered the primary government.

In accordance with generally accepted accounting principles, the financial statements of the County's discrete and blended component units are included in this report because of the significance of their operational or financial relationships with the County. A component unit is a legally separate entity that meets one or more of the following criteria: the primary government appoints the majority of the board and is able to impose its will on the component unit or is in a relationship of financial benefit or burden with the component unit, the component unit is fiscally dependent on the primary government, or the financial statements of the primary government would be misleading without the component unit. The Erie County Gaming Revenue Authority (ECGRA), the Erie County Land Bank, and the Erie County Community College are discreetly presented component units, and as such their financial data is presented separately from the primary government. ECGRA administers the restricted gaming revenue Erie County received from the operation of a casino located in the county. The Erie County Land Bank was established by the revised Gaming Revenue Act in 2017 and was formed on June 7, 2018, for the purpose of land management throughout Erie County to promote redevelopment. On July 8, 2020, the Pennsylvania State Board of Education voted 10 -5 to establish the Erie County Community College. The college had their inaugural session fall of 2021. The County is the local sponsor for the school and is responsible for all expenses not covered by tuition and state funds.

Pleasant Ridge Manor and Erie County Care Management are blended component units in this report because the services provided are so intertwined with the primary government that it is in substance, the same as the primary government. Pleasant Ridge Manor, the County's nursing home, provides both short term rehabilitation and long term care for chronically ill and elderly residents. It is included in the County's financial statements as a business-type activities enterprise fund. Erie County Care Management provides services to Medicare eligible clients of the County's Mental Health/Intellectual Disabilities, Drug and Alcohol and Children & Youth funds. It is included in the County's non-major special revenue funds.

COUNTYWIDE SERVICES

The County has adopted a mission statement in its Three-Year Plan which broadly describes the services it provides:

1. To operate as agents of the Commonwealth of Pennsylvania in the administration of justice, maintenance of public records, and conduct of elections and assistance to veterans.
2. To carry out, in partnership with the State, human service programs providing protection to our children, assistance to the mentally ill and intellectually disabled, programs to address substance abuse, to provide support to our senior citizens, long-term care for our medically indigent, protection of the environment and public health of our community, library and information services to our residents, job training and day care for our underemployed and transportation to our citizens.
3. To administer State and Federal grants for programs designed to improve the health, welfare and economic opportunity of our residents.
4. To assist our townships, cities, and boroughs in planning, economic development, and providing municipal services.
5. To work with community partners to promote job growth and the well-being of residents of Erie County.
6. To fulfill our responsibility to our taxpayers by fairly reporting the County's financial condition, honestly appraising the costs of our programs, seeking the most economical strategies in maintaining services, and avoiding attempts to burden the future with today's costs.

County Programs are categorized in four broad classes: General Government, Courts and Related Offices, Corrections and Community Services. The principal programs in each class include:

General Government

Offices of the County Executive, County Council and the County Controller

Offices of Voter Registration, Conduct of Elections, and Human Relations Commission

Central Support services departments under the County Executives appointees: the County Solicitor and the Directors of Administration, Human Resources, Finance and Information Technology

Courts and Related Offices

The Sixth Judicial District of Pennsylvania (nine Judges of the Court of Common Pleas)
Thirteen District Magisterial Judges
Offices of the Clerk of Records, Sheriff, District Attorney, Coroner and Public Defender
Offices of Domestic Relations (Support Enforcement)

Corrections

Adult Probation and Juvenile Probation Departments
Department of Corrections (Erie County Prison)
Juvenile Detention Center and other delinquent child institutional treatment

Community Services

Department of Human Services, which operates the County's Mental Health / Intellectual Disabilities, Children and Youth Services, Drug and Alcohol Abuse, Health Choices
Erie County Care Management Inc.
Department of Public Health
The Erie County Library Fund
Erie County Pleasant Ridge Manor
Office of Veterans Affairs
Erie County Gaming Fund
Department of Planning
Grants to Community Organizations
Liquid Fuels
Erie County's Public Safety Programs, Emergency-911 Program and Emergency Management

INTERNAL CONTROL

The County's internal accounting control system is a comprehensive framework that provides employees and taxpayers with assurances that the assets of the government are reasonably safeguarded against loss and are recorded properly. Internal controls also provide assurance that the financial statements are reliable and prepared in compliance with generally accepted accounting principles. Because the cost of the internal controls should never outweigh the benefits derived from the internal controls, the County's controls have been designed to provide reasonable rather than absolute assurance the financial statements will be free from material misstatement.

The Finance Department is responsible for creating and maintaining the accounting system for the County, promulgating fiscal policy, as well as preparing and monitoring the annual budget. The Controller's office is responsible the post audit function.

INDEPENDENT AUDIT

Zelenkofske Axelrod LLC, a firm of licensed certified public accountants, has audited the County of Erie's financial statements. The goal of an independent audit is to provide reasonable assurance that the financial statements of the County of Erie are free from material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County of Erie's

financial statements for the fiscal year ended December 31, 2022 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

BUDGET

The annual budget serves as the foundation for the County of Erie's financial planning and control. The budget process starts with the development of the County's Three Year Plan, which forecasts anticipated financial needs and outlines potential changes in services over the next three year period as well as projects the results of operations of the current budget period. Later in the year, all County departments receive a budget package including the administration's preliminary next year's budget, the current year's original and current budget, current six month activity, historical activity, and current and next year's wages and fringes for each employee. The department must project its current year's revenue and expenditures, and justify any proposed changes to the preliminary budget. The administration holds budget meetings with each department. On or before October 1st of each year, the administration submits a balanced budget to County Council. Council then holds additional budget meetings with departments and officials from the administration. After holding public meetings on the budget, County Council must adopt a balanced budget on or before December 1st. The appropriated budget is prepared by fund and by department. The legal level of budgetary control for Erie County is the department level. Departments may transfer up to ten percent of appropriations within their department with the approval of the Finance Director. County Council must approve all other transfers, supplemental appropriations, and revised revenue and expense requests. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

PROPERTY ASSESSMENTS

The County has committed to a countywide reassessment cycle taking into account the common level ratios, property values and a need for a reassessment. The last reassessment was effective January 1, 2013. As a result of the reassessment, the 2013 County taxable assessed value changed from \$11.8 billion to \$13.8 billion. Particular emphasis was placed on bringing lakefront property in line with the current market value. The latest common level ratio is 90.1% in relation to the base year of 2013. The County typically would start a reassessment when the common level ratio is close to 80%. In preparation for a future reassessment, the department is upgrading its software to allow assessors to make changes to the database in the field. In 2019, the number had increased to 2,616 due to the approval of a 10 year tax free (Local Economic Revitalization Tax Assistance Act) LERTA program for the City of Erie which would apply to new construction and improvements made to all Industrial, Commercial, Business and Residential properties. In 2022, the number of building permits increased slightly from 2021 of 2418 to 2615. This number is reflective to those prior to the pandemic.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment within which the County of Erie operates.

LOCAL ECONOMY

Erie County continues to see heavy investment in new and existing assets by both in town and out-of-town entities. The results of these investments will be retained jobs, new jobs, new assets, increased tax base, and increased capacity in a variety of sectors. Existing facilities continue to garner a great deal of interest for acquisition and renovation while the construction of new facilities on underutilized sites is slowly accelerating. Below is a summary of activity over the past year:

Erie County Redevelopment Authority has begun the partial demolition and renovation of the former Erie Malleable Iron (West 12th Street & Cherry Street). Total capital investment is estimated at \$28M and the investment is expected to create 200 FTEs.

Erie County Redevelopment Authority has begun construction of an 80,000 sq. ft. warehousing facility to retain Berry Plastics (316 West 16th Street) and its 120 FTEs. Total capital investment is \$9M.

Pete Zaphiris of Great Lakes Insurance will complete the comprehensive renovation of the former 1128 State Street (40,000 sq. ft.) into a new corporate headquarters for Great Lakes Insurance. Zaphiris' investment is \$9M in this facility and will lead to job growth of 60 FTEs over the next three years.

The Renaissance Center (1001 State Street) – a 140,000 sq. ft. building – is downtown Erie's tallest and most distinct historic structure. It is under contract for acquisition and renovation. The buyer plans for renovation, and total capital investment are confidential presently. Total investment is expected to be in excess of \$20M with an expected start date in 2023.

Lord Corporation Site (12th & Greengarden) is under contract and sale is pending. The buyer plans for renovation, and total capital investment are currently confidential. Total expected investment is expected to be in excess of \$10M with a projected start date in 2023. Investment is expected to retain 100 jobs and add 50.

Gannon University completed a \$15M renovation of 155 West 8th Street into residential housing in September 2022.

Gannon University is working with a biotech company on developing a research lab in IHACK (Institute for Health and Cyber Knowledge) at a total capital investment \$6M. Total job creation will be 100 FTEs within 3 years.

The **Erie Downtown Development Corporation** (EDDC) is finalizing construction of their 2nd wave of apartments, office and commercial space, a climbing gym, and parking garage. Entire project expected to be finished by close of 2023. EDDC previously announced plans for a total investment of \$150M in the center of downtown Erie that will result in 477,000 sq. ft. of developed space, 100,000 sq. ft. of residential units (150-175 total units; 350-400 parking spaces; and housing approximately 40 businesses. EDDC estimates the projects would lead to 400 jobs once complete and over \$2M in new tax base once fully completed.

The **Warner Theater** completed a multimillion dollar renovation which includes a comprehensive update to stage equipment, a new stage house, and expanding the stage by 20 feet. Total investment was \$28.6M.

Child Development Centers of Erie completed construction of a new facility at 145 East 10th Street in downtown Erie. This project is estimated to cost \$8-\$10M and will provide childcare to 100-150 families and employ 30 new positions.

Value Momentum acquired 1030 State Street and has begun a renovation of 20,000 sq. ft. of space at an estimated cost of \$5M and will be creating nearly 100 jobs.

Beacon Communities has begun a \$27M renovation of their Richford Arms Apartments at 515 State Street. The residential property has 100 units.

Welcoming New Businesses to Erie

International Recycling Group (IRG) is presently finalizing investment to build a \$300M plant in the City of Erie that will be the largest, comprehensive plastic recycling facility in the world. The company has secured a site on the South Yard of the former Hammermill/IP plant and has advanced to Phase II in a Department of Energy program focused on new, environmentally friendly technologies to reduce greenhouse gas emissions. Preliminary review has prompted DOE to ask IRG to put plans together for Phase II at \$300M for the same program.

Employment Outlook

Manufacturing and Healthcare/Life Sciences have over 3000 positions to fill presently. Those sectors have been prioritized for aggressive action by the workforce and economic development systems.

LONG-TERM FINANCIAL PLANNING

The County Three Year Plan is a strategic tool used by the County to identify trends in services, funding requirements, as well as plan for capital projects. In the three year plan for 2023 we estimated a budget of \$548 million with the final budget passed by Council amounting to \$535 million (without Erie County Care Management which wasn't included in the three year plan). The estimate for 2022 was projected with much uncertainty due to the Covid pandemic. The budget reflected lower revenue figures in trying to budget conservatively with the uncertainties still of the pandemic. Also, there were increases in health care and pension costs due to more claims being processed as more employees started going back out to receive medical treatments.

In 2021, the Erie County Community College held its first semester in fall 2021. The college was officially voted on July 8, 2020, the Pennsylvania State Board of Education approved the college by a 10-5 vote. Erie County is the local sponsor and is responsible for all deficits not covered by student tuition or state funds. The County in the budgeting process has been moving community grant expenses out of the Gaming Fund and into the General Fund to start accumulating fund balance to cover expenses incurred by the Community College in the future. The Community College is expected to hold their first graduating class in June of 2023.

County Council in cooperation with the administration voted in 2021 to accept a bid to tear down Pleasant Ridge Manor East. There are no plans for the property once this is accomplished.

FUTURE COUNTY OPERATIONS BUDGETS

In November of 2022, the County Council adopted the 2023 budget. The budget, net of internal service funds and transfers to other funds, is \$587,442,850 and included no tax increase but was balanced using \$1,542,556 of fund balance.

FISCAL ACCOMPLISHMENTS and CONCERNS

The County has a very healthy general fund balance at year end 2022 of \$64,454,576. Of this amount \$56,268,175 is unassigned and can be used for any purpose. This calculates to 51.30% of annual expenditures and transfers. As a result of having a robust fund balance, the County's bond rating remains at AA by Standard and Poor's and Aa2 by Moody's. In 2022, the County was budgeted to use \$1.5 million of general fund balance to balance the budget. The yearend result was that the County added \$3 million to fund balance. Tax collections came in as budgeted with interim tax collections being above budget. Part of this was due to a slight increase of property owners using stimulus funds to pay their property taxes.

The County also implemented GASB 75 dealing with the recording of the OPEB expense in 2018. The amount for unrestricted net assets in 2022 was \$3,177,139. The County also implemented GASB Statement No. 87 for accounting and financial reporting for leases.

The County continues to closely watch developments in the state and federal budgets, since federal and state grant revenue accounts for over 51% of all budgeted revenue. One of the major concerns for the County for 2023 and going forward is the effects of COVID-19 on our local economy and also on state and federal funding. Currently it did not have a significant effect on the County real estate collections but we feel that going forward there are going to be financial and economic issues that will need to be addressed. This remains an on-going issue and will be affecting the County years to come. Erie County received \$52,391,502 in direct federal aid from the American Rescue Plan Act.

RELEVANT FINANCIAL POLICIES

In 2015, County Council adopted Resolution 26, 2015, which mandates a minimum of two month's expenditures in unassigned fund balance. The policy also states that if unassigned fund balance drops below two month's expenditures, the County must restore the fund balance within two fiscal years. An analysis of unassigned fund balance is presented to Council at each finance committee meeting. This analysis indicates the level of unassigned fund balance should all ordinances in front of Council pass. The County has maintained more than the minimal level of fund balance since the policy was adopted. The County budgets thereafter have included funds sufficient to maintain a General Fund unassigned fund balance greater than two months of operation.

As described in the Notes to the Financial Statements, the County has a pay-as-you go policy for the following:

Self- insured medical and dental benefits

Accrued sick time

Termination payments

Post-Employment Benefits Other Than Pension Benefits

In May of 2018, County Council adopted Resolution 36, 2018, which amended the County's Administrative Code and purchasing policy to make it in compliance with the mandates of the Uniform Guidance. The current policy had provisions in it for the purchase or rental of certain items, insurance coverage or services that exceeded \$12,500 but were under \$25,000. These items were required to solicit three competitive quotes. The \$12,500 threshold has now dropped to \$3,500 for purchases using federal grant funds. Items above \$25,000 are required to go through a bid process. Ordinance 57, 2019 further amended the purchasing code to be in compliance with the uniform guidance changing the minimum threshold from \$3,500 to \$10,000. It also adding the wording that the County would follow the guidelines under Uniform Guidance 2CFR200.

As part of the 2019-2022 contract labor negotiations a wellness policy was implemented. This policy states that starting in 2021 that if you do the four requirements your County per pay deduction will stay at 5% but if you fail to qualify then it increases to 10%. The four requirements are: wellness survey, a biometric screening, a physical and a tobacco cessation program if you partake in tobacco products. This is in hopes of promoting wellness and reducing medical costs since we are self-funded.

In 2019, we updated our business use of car insurance policy to include a provision for on-line purchased policies. Our current policy had requirements dealing with insurance agents that are not possible with buying on-line. An average business usage percentage was determined in these instances.

At the end of 2021, the County drafted a policy dealing with the taxability of employer provided clothing. This is to ensure that the County is in compliance with IRS regulations as outlined in IRS Publication 5138.

AWARDS and ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Erie for its annual comprehensive financial report (ACFR) for the fiscal year ended December 31, 2021. This was the twenty-ninth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The Department of Finance relies on the cooperation and support of all elected officials and department heads, especially County Controller Kyle Foust and his Deputy Mark Orlop, who manage the County's internal audit programs. We rely heavily on the financial staff of various grant programs, especially Manager of Accounting for Human Services Patrick Ryan, Leslie Reed, Anne Maries, Linda Jarzynka, and Darlene Miller who perform the accounting activities in the Department of Human Services, Melissa Plyler, accountant for the Department of Planning, Eric McGrath of Erie County Care Management and Michael Anderson, the Chief Financial Officer of Pleasant Ridge Manor.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the General Accounting Department, including Jennifer Ertl, Jennifer Kruszewski, Helen Lucas, Sarah Weismiller, Tammy Lassman, Bridget Lander, Wade Root, and Katie Kaminski. Special thanks to Finance Director, Paul Lichtenwalter, who without his support we would not be able to accomplish all we do.

We are pleased to be able to present this information, which we believe to be vital to your financial planning and decision making.

Respectfully submitted,

Ericka Knight

Ericka Knight
Manager of Accounting

COUNTY OF ERIE, PENNSYLVANIA

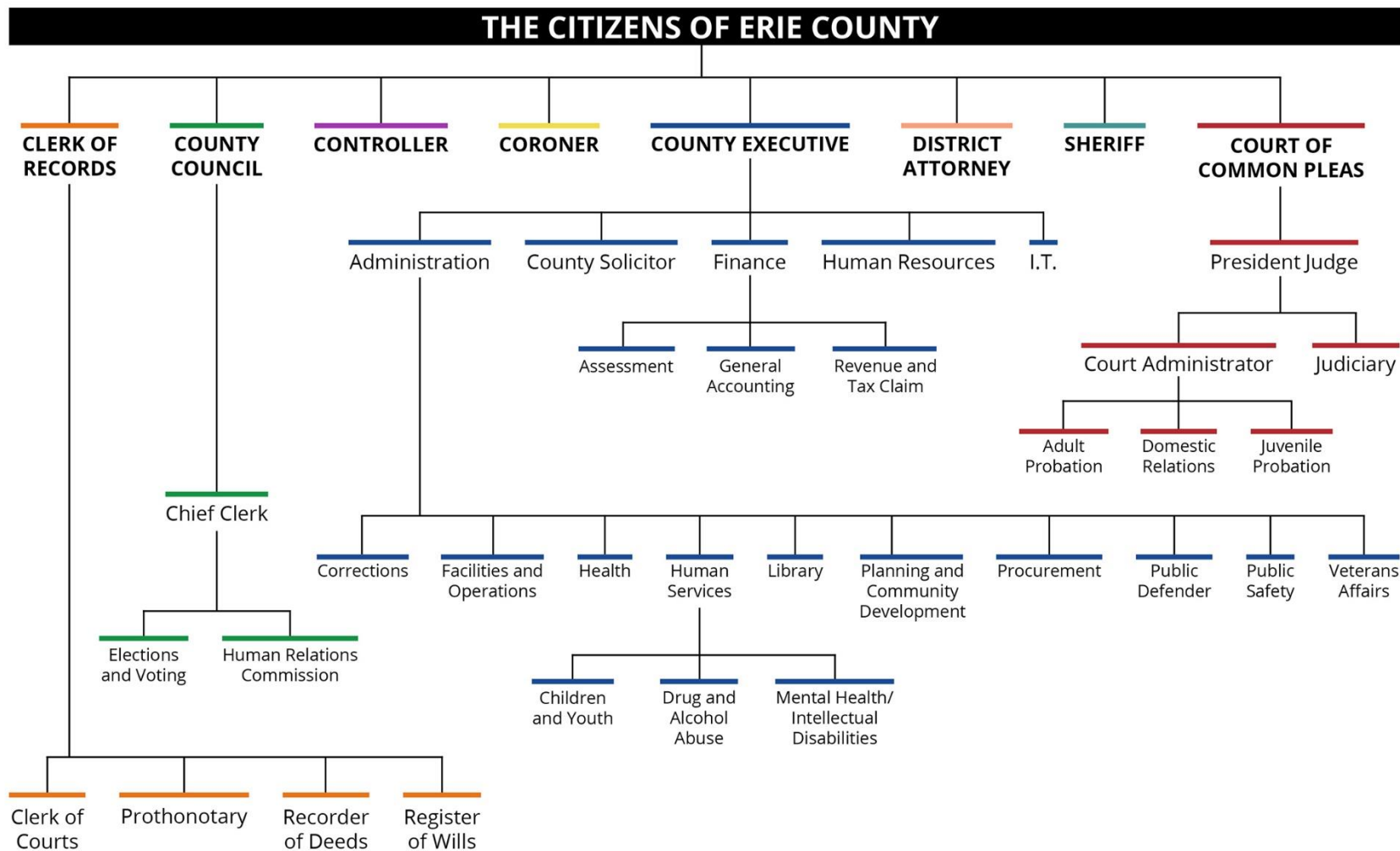
LIST OF ELECTED AND APPOINTED OFFICIALS AS OF DECEMBER 31, 2022

Elected Officials

County Executive	Branton Davis
Council Members	Brian Shank Andre Horton Terry Scutella Jim Winarski Mary Rennie Ellen Schauerman S Charles Bayle
County Controller	Kyle Foust
District Attorney	Elizabeth A Hirz
Sheriff	Christopher Campanelli
Coroner	Lyell P. Cook
Clerk of Records	Aubrea Hagerty-Haynes
Common Pleas Judges	Joseph M. Walsh III, PJ Erin C. Connelly-Marucci John J. Mead Elizabeth K. Kelly Daniel J. Brabender Jr. Stephanie Domitrovich John J. Trucilia Marshall J. Piccinini David G. Ridge

Appointed Officials

Director of Administration	Doug Smith
Director of Finance	James Sparber/Paul Lichenwalter
Director of Human Resources	Amanda Cypher/Ann Villella
County Solicitor (part-time)	William Speros (3/22-12/22)
Public Defender	Nicole Sloane Kondrlik





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**County of Erie
Pennsylvania**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

INDEPENDENT AUDITOR'S REPORT

The County's basic financial statements are audited each fiscal year by independent certified public accountants. The audits are conducted in accordance with generally accepted auditing standards.

The principal auditor's report on their audit of the County's basic financial statements is contained in this section.



Zelenkofske Axlerod LLC

CERTIFIED PUBLIC ACCOUNTANTS

EXPERIENCE | EXPERTISE | ACCOUNTABILITY

Independent Auditor's Report

Members of County Council
County of Erie
Erie, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Erie, Pennsylvania (the "County"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Erie County Gaming Revenue Authority, the Erie County Land Bank, or the Erie County Community College, which represents 100% of the assets, net position, and revenues of the discretely presented component units. These financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units listed above, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The County's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for one year after the date that the financial statements are issued.



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Members of County Council
County of Erie, Pennsylvania
Independent Auditor's Report
Page 16

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



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Members of County Council
County of Erie, Pennsylvania
Independent Auditor's Report
Page 17

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of net pension liability and contributions related to pension plans, and schedules of total OPEB liability (as listed in the table of contents as required supplementary information) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The other supplementary information in the financial section (as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information in the financial section is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information in the financial section is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



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Members of County Council
County of Erie, Pennsylvania
Independent Auditor's Report
Page 18

Other Information Included in the Annual Comprehensive Financial Report

Management is responsible for the other information in the annual comprehensive financial report. The other information comprises the introductory and statistical sections, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Zelenkofske Axlerod LLC

ZELENKOFSCHE AXELROD LLC

Pittsburgh, Pennsylvania
June 30, 2023

COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022

As management of the County of Erie, we offer readers of the County of Erie's financial statements this narrative overview and analysis of the financial activities of the County of Erie for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with the accompanying basic financial statements and notes to the financial statements in order to obtain a thorough understanding of the County of Erie's financial condition at December 31, 2022. All amounts, unless otherwise indicated, are expressed in dollars.

Financial Highlights

- The governmental activities net position as of December 31, 2022 was \$97,376,177.
- The government's total net position for governmental activities increased by \$46,875,752.
- The unrestricted portion of net position (deficit) increased \$12,726,737 from \$(6,483,543) at year end 2021 to \$6,243,194 at year end 2022.
- As of the close of the current fiscal year, the County of Erie's governmental funds reported combined ending fund balances of \$118,307,127, an increase of \$8,347,094 in comparison with the prior year 2021's ending fund balance of \$109,960,033.
- The County's real property tax rate remained the same in 2022 at 5.96 mills as it was in 2021.
- The County's investment bond rating from Standard and Poor's is AA. Moody's bond rating is Aa2.
- As of December 31, 2022, the County of Erie had \$25,315,000 of bonds outstanding. Of this total, \$18,105,000 or 72% of the County's debt will be retired by year end of 2025.
- The total fund balance of the General Fund as of December 31, 2022 was \$64,454,576. The unassigned portion of the fund balance was \$54,505,944 which is approximately 49.30% of expenditures and transfers to other funds in the General Fund for the fiscal year 2022. The unassigned fund balance increased \$3,578,795 in 2022.
- The County received \$26,195,751 in American Rescue Plan Act funding through the U.S. Department of the Treasury from Coronavirus State and Local Fiscal Recovery Funds.

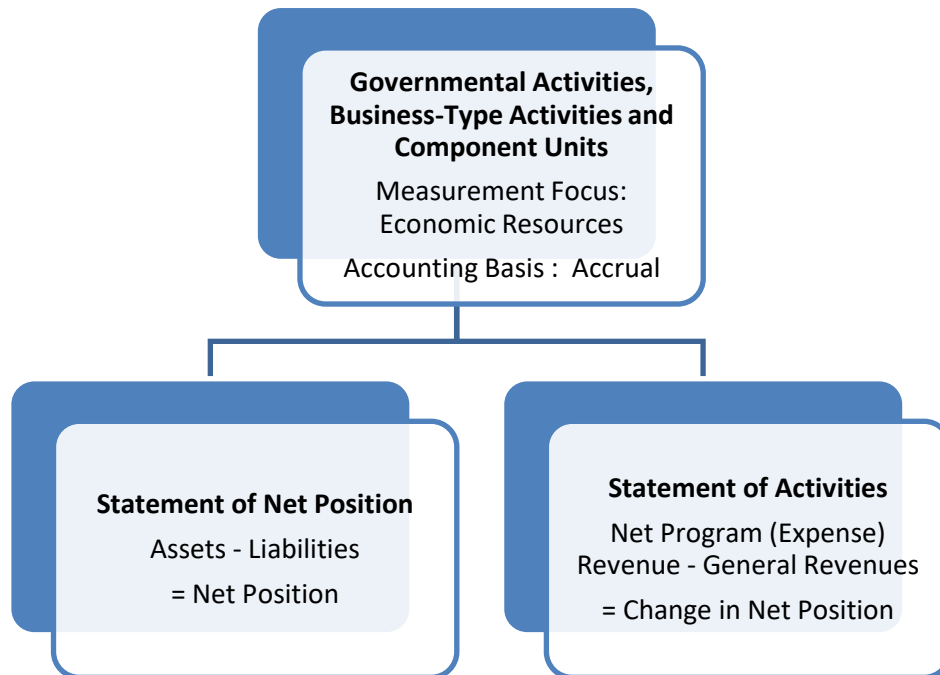
Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County of Erie's basic financial statements. The County of Erie's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

Government-wide Financial Statements

Government-wide financial statements - The **government-wide financial statements** are designed to provide readers with a broad overview of the County of Erie's finances in a manner similar to private-sector business.



The **statement of net position** presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources except fiduciary funds, with the difference reported as *net position*. This statement serves a purpose similar to that of a balance sheet of a private sector business. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. However, other non-financial factors such as changes in the County's real property tax base and general economic conditions must also be considered.

The **statement of activities** presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unpaid wages).

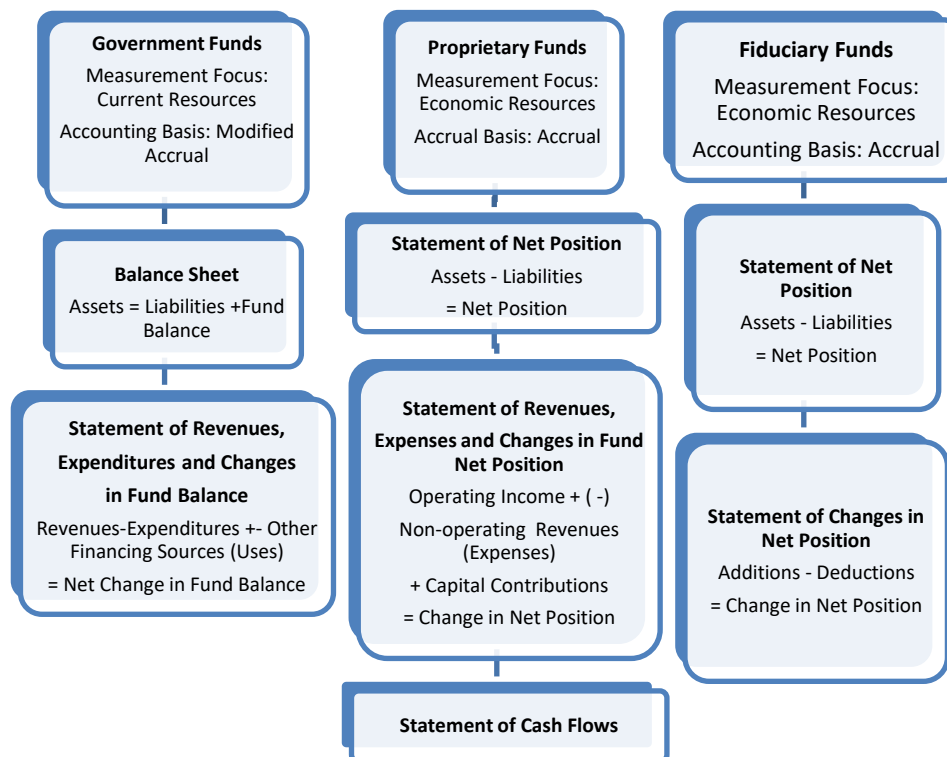
Both of the government-wide financial statements distinguish functions of the County of Erie that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the County of Erie include general government, courts and related offices, corrections, community services, public health, public works and library services.

COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

The government-wide financial statements include not only the County of Erie itself (*known as the primary government*), but also Pleasant Ridge Manor, a legally separate nursing home for indigent residents, and Pleasant Ridge Manor Pension Trust, the legally separate pension fund of the nursing home for which the County of Erie are financially accountable, and is a business-type component unit. Erie County Gaming Revenue Authority (ECGRA) is also a component unit. ECGRA was created by the County to disburse restricted gaming funds to the community in accordance with state law. An additional component unit, the Erie County Land Bank, was added in 2018. The state gaming law set provisions for the County to establish a Land Bank with gaming funds to aid in redevelopment and flight bright. In 2021, another component unit, Erie County Community College, was added. Financial information for these *component units* are reported separately from the financial information presented for the primary government itself. The statements also included Erie County Care Management Fund, a blended special revenue component unit that administrators and provides managed care services.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Erie, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County of Erie can be divided into two categories: governmental funds and fiduciary funds.



Governmental funds - Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County of Erie maintains fourteen individual governmental funds, as well as a capital projects fund and a debt service fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, Mental Health Intellectual Disabilities Fund, Health Choices Fund, Children and Youth Fund, ARPA Fund, and the Drug and Alcohol Fund, all of which are considered to be major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report. In 2021, an additional special revenue fund was added in order to handle the accounting of the American Rescue Plan Act funding.

The County of Erie adopts an annual appropriated budget for all governmental funds except the Capital Projects Fund. A budgetary comparison statement for each individual fund has been provided to demonstrate compliance with this budget. Budgetary control for the activities of the Capital Projects Fund is achieved through general obligation bond indenture provisions, contractual agreements, and restrictive terms of the grants received.

Proprietary funds - In 2006, the County of Erie created an internal service fund. An *internal service fund* is an accounting device used to accumulate and allocate costs internally among the County of Erie's various functions. The County uses an internal service fund to account for the costs of employee fringe benefits, primarily the self-funded medical and dental programs. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide statements. Pleasant Ridge Manor, the County's legally separate nursing home, is considered as an enterprise fund since the intent is that the cost of providing the services to the public is primarily covered by user charges and cost reimbursement plans. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide statement because the resources of those funds are *not* available to support the County of Erie's own programs. The financial statements include the *statement of fiduciary net position*, which reports the assets and liabilities of the County's retirement trust fund, Pleasant Ridge Manor's retirement trust fund and combined custodial funds. A *statement of changes in fiduciary net position* for the County's retirement trust fund, Pleasant Ridge Manor's retirement trust fund and combined custodial funds is also provided. Finally, *Combining statements of fiduciary net position and statements of changes in fiduciary net position*, which provides a detail of all custodial funds and detail of the County's retirement trust fund and Pleasant Ridge Manor's retirement trust fund, can also be found in this report.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in the basic financial statement tab.

The combining statements referred to earlier in connection with non-major governmental funds and fiduciary agency funds are presented immediately following the notes to the financial statements.

COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

Government-wide Financial Analysis

The following is a summary of the Statement of Net Position with comparative totals for December 31, 2022.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 225,606,781	\$ 201,048,807	\$ 7,806,198	\$ 23,693,291	\$ 233,412,979	\$ 224,742,098
Capital assets	36,209,291	25,174,483	4,379,925	4,784,693	40,589,216	29,959,176
Total assets	<u>\$ 261,816,072</u>	<u>\$ 226,223,290</u>	<u>\$ 12,186,123</u>	<u>\$ 28,477,984</u>	<u>\$ 274,002,195</u>	<u>\$ 254,701,274</u>
Deferred outflows of resources	<u>\$ 32,925,169</u>	<u>\$ 4,446,413</u>	<u>\$ 9,228,947</u>	<u>\$ 638,855</u>	<u>\$ 42,154,116</u>	<u>\$ 5,085,268</u>
Long-term liabilities outstanding	\$ 107,648,678	\$ 72,938,099	\$ 6,173,268	\$ 2,525,083	\$ 113,821,946	\$ 75,463,182
Other liabilities	89,637,231	82,872,311	4,982,286	5,901,535	94,619,517	88,773,846
Total liabilities	<u>\$ 197,285,909</u>	<u>\$ 155,810,410</u>	<u>\$ 11,155,554</u>	<u>\$ 8,426,618</u>	<u>\$ 208,441,463</u>	<u>\$ 164,237,028</u>
Deferred inflows of resources	<u>\$ 79,155</u>	<u>\$ 24,358,868</u>	<u>\$ 1,455,395</u>	<u>\$ 9,521,955</u>	<u>\$ 1,534,550</u>	<u>\$ 33,880,823</u>
Net position:						
Net investment in capital assets	\$ 13,193,039	\$ 1,664,821	\$ 4,379,925	\$ 4,784,693	\$ 17,572,964	\$ 6,449,514
Restricted	77,939,944	55,319,147	-	-	77,939,944	55,319,147
Unrestricted	6,243,194	(6,483,543)	4,424,196	6,383,573	10,667,390	(99,970)
Total net position	<u>\$ 97,376,177</u>	<u>\$ 50,500,425</u>	<u>\$ 8,804,121</u>	<u>\$ 11,168,266</u>	<u>\$ 106,180,298</u>	<u>\$ 61,668,691</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County of Erie, governmental assets exceeded liabilities by \$97,376,177 as of December 31, 2022.

Approximately 13.55% or \$13,193,039 of net position reflects the County's investment in capital assets (e.g., land, buildings, furniture and equipment), less any related debt used to acquire those assets that is still outstanding. The County of Erie uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County of Erie's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the County of Erie's net position, \$77,939,493 represents resources that are subject to external restrictions on how they may be used. Restricted net position increased \$22,620,797 from the previous year. The amount restricted for Community Services increased \$22,278,515 primarily due to an increase of \$6.3 million in the Health Choices Fund and the accrual for the \$16 million opioid settlement receivable. Detail of the restricted net position can be found on the face of the statement of net position.

At the end of the current fiscal year, the County of Erie is reporting a positive balance in all of the net position categories. The unrestricted net position (deficit) of \$(6,483,543) from 2021 increased by \$12,726,737 to \$6,243,194 in 2022. This was mostly the result of the increase in total assets by \$35.5 million and most recent actuarial valuation of the County's pension plan, which increased deferred outflows of resources related to the liability by \$28.4 million along with a decrease of \$24.3 million in deferred inflows of resources related to the liability. The business-type activity was able to maintain a positive net position in all categories.

COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

The following is a summary of the Changes in Net Position with comparative amounts for December 31, 2022.

	Governmental Activities			Business-Type Activities		
	2022	2021	Variance	2022	2021	Variance
Revenues:						
Program Revenues:						
Charges for services	\$ 54,496,344	\$ 38,861,990	\$ 15,634,354	\$ 23,451,377	\$ 20,839,287	\$ 2,612,090
Operating grants and contributions	300,155,203	318,541,771	(18,386,568)	848,997	1,265,318	(416,321)
Capital grants and contributions	-	-	-	27,307	5,133	22,174
General Revenues:						
Property taxes:	87,437,482	86,813,857	623,625	-	-	-
Hotel tax	6,158,284	5,379,769	778,515	-	-	-
Interest income	1,080,752	217,421	863,331	255,660	248,898	6,762
Other income	2,659,581	793,239	1,866,342	-	-	-
Total revenues	<u>451,987,646</u>	<u>450,608,047</u>	<u>1,379,599</u>	<u>24,583,341</u>	<u>22,358,636</u>	<u>2,224,705</u>
Expenses:						
General government	25,401,263	19,938,695	5,462,568	-	-	-
Courts and related offices	23,789,941	26,669,256	(2,879,315)	-	-	-
Corrections	39,644,746	39,338,013	306,733	-	-	-
Community services	294,600,823	329,299,977	(34,699,154)	27,933,769	23,421,207	4,512,562
Public health	11,854,777	11,569,053	285,724	-	-	-
Public works	578,638	763,650	(185,012)	-	-	-
Library	7,477,806	8,038,316	(560,510)	-	-	-
Interest on long-term debt	777,617	957,657	(180,040)	-	-	-
Total expenses	<u>404,125,611</u>	<u>436,574,617</u>	<u>(32,449,006)</u>	<u>27,933,769</u>	<u>23,421,207</u>	<u>4,512,562</u>
Increase (decrease) in net position before transfers	47,862,035	14,033,430	33,828,605	(3,350,428)	(1,062,571)	(2,287,857)
Transfers In	-	-	-	986,283	6,339,910	(5,353,627)
Transfers Out	<u>(986,283)</u>	<u>(6,339,910)</u>	<u>5,353,627</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	46,875,752	7,693,520	39,182,232	(2,364,145)	5,277,339	(7,641,484)
Net position, beginning of year	50,500,425	42,806,905	7,693,520	11,168,266	5,890,927	5,277,339
Net position, end of year	<u>\$ 97,376,177</u>	<u>\$ 50,500,425</u>	<u>\$ 46,875,752</u>	<u>\$ 8,804,121</u>	<u>\$ 11,168,266</u>	<u>\$ (2,364,145)</u>

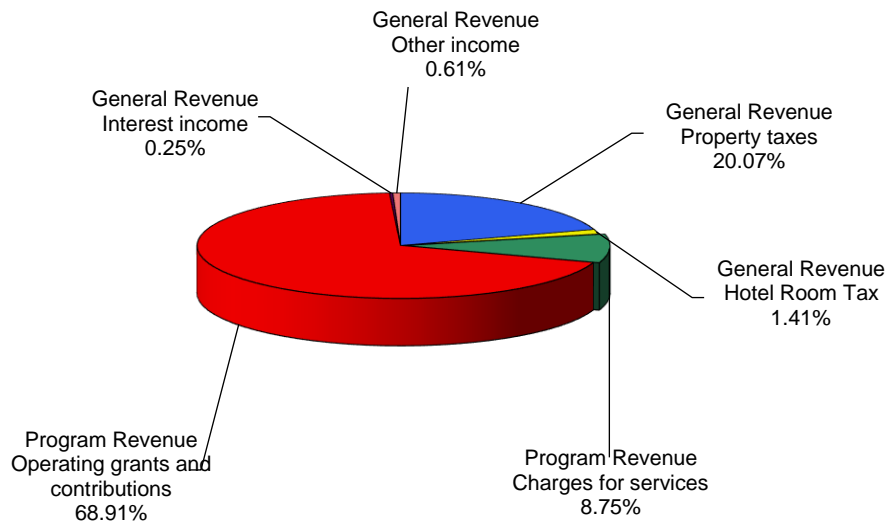
Governmental Activities. Governmental activities in 2022 increased the County's net position by \$46,875,752. Key elements of this increase are as follows:

Program Revenues

- Property taxes increased by \$623,625 (0.72%). There was no tax increase however there was a slight increase in interim taxes in 2022 from home-related projects.
- Hotel room rental tax increased by \$778,515 (14.47%) million due to travel and tourism recovering as restrictions have been lifted.
- Charges for services increased by \$15,634,354. This was due to the accrual and recognition of the receivable related to the opioid settlement.
- Operating grants decreased by \$18,386,568 (5.77%). The majority of this decrease is attributable to the extra funding sources received in 2021 related to the Covid-19.
- Interest income continued to increased by \$863,331. During the pandemic, there was a reduction in interest rates; however, in 2022, we began to see an increase. The General Fund had the highest surge with an increase of over \$700 thousand.

COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

2022
Revenues by Source - Governmental Activities
Total Revenue: \$451,987,646

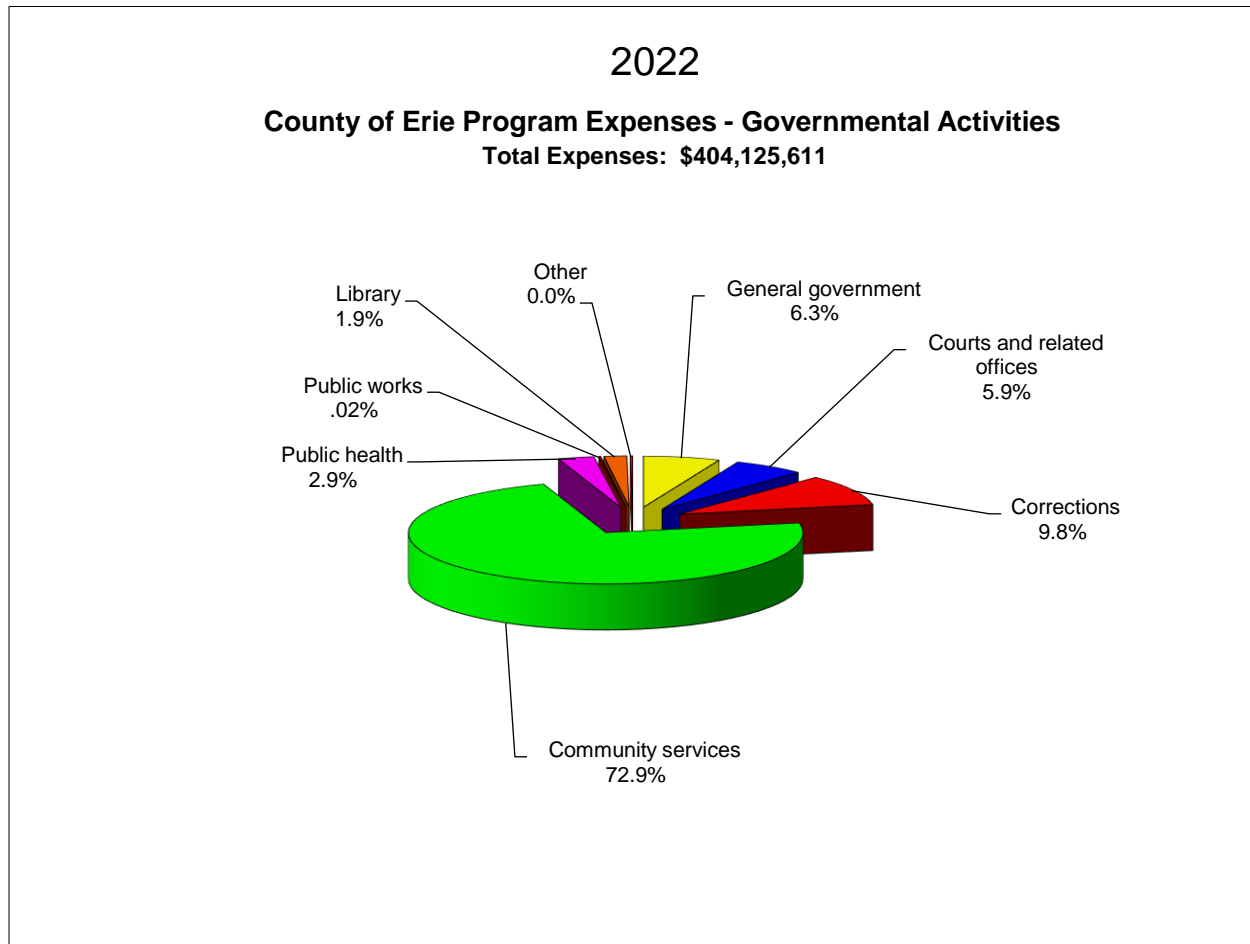


Program Expenses

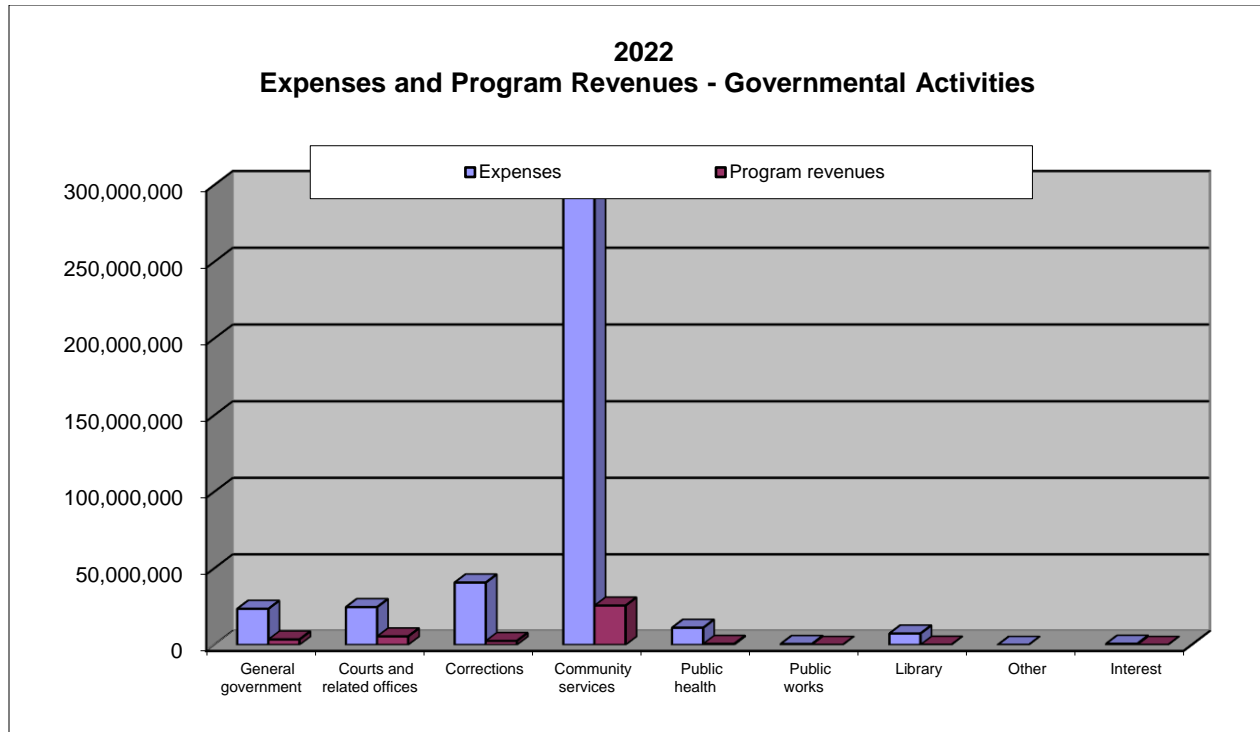
- General government expenses increased by \$5.4 million (27.40%). This is mostly due to the increase in the net pension liability.
- Courts and related expenses decreased \$2.8 million (10.80%) attributable to less customary activity in 2022.
- An increase of \$306,733 (0.78%) was related to corrections expenses. In 2022, the prison's fire alarm system needed to be replaced. Additionally, there was an increase of contracted medical and pharmacy services.
- The Community Services expense decreased \$34.6 million (10.54%). The majority of this decrease was attributable to over \$26 million in ARPA funding that not yet being recognized. Even though restrictions set forth by Governor Wolfe were being released, closure of some daycares and before/after school programs directly affected Child Services. This was also true for many restaurants and gyms.
- Public Health expenses increased \$285,724 (2.47%) due to the addition of new grant funds to deal with the mitigation and detection of COVID-19.
- Public Works decreased by \$185,012 (24.23%). Less money was spent on municipal projects and bridge inspections.

COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

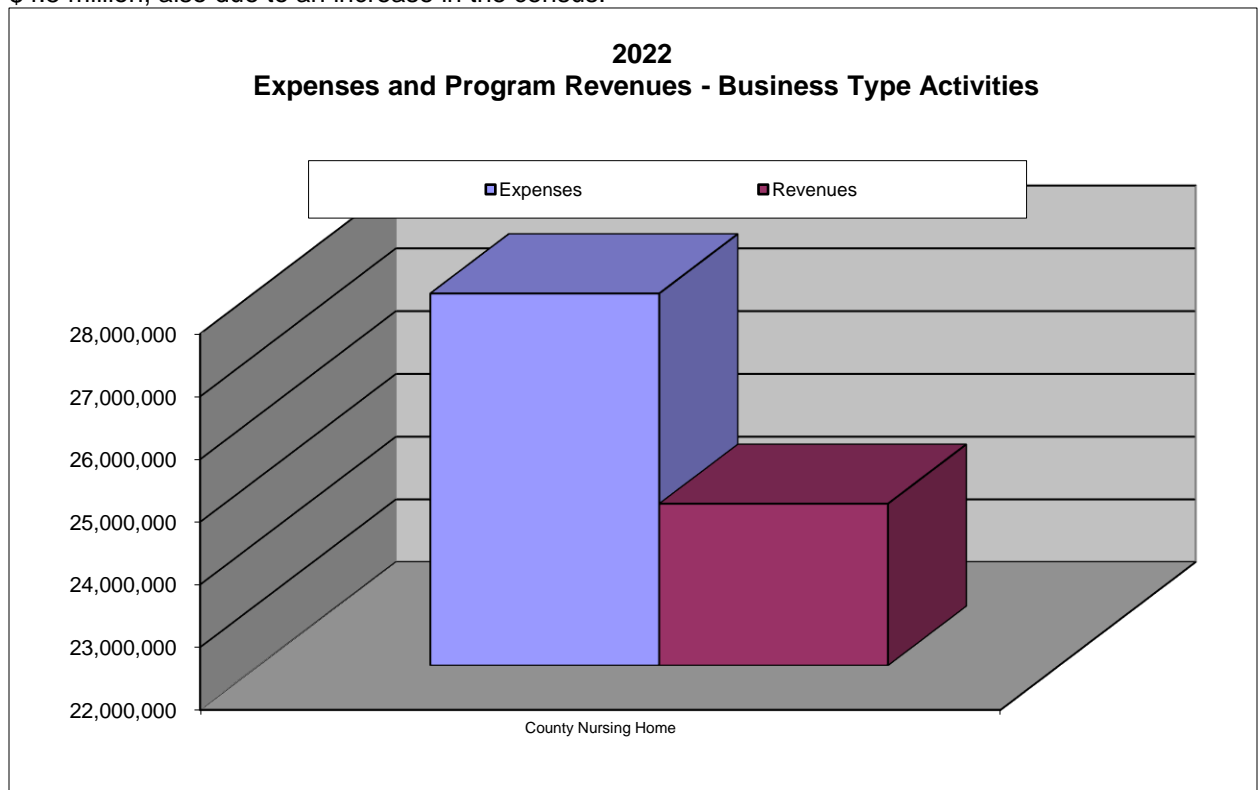
- Library expenses decreased \$560,510 (6.97%). This was attributable to the to the residual effects that the pandemic had on the Library's operational hours and staff.
- Interest on long term debt decreased by \$180,040 (18.80%). This amount is decreasing due to no new debt being incurred.
- The County transferred \$986,283 to Pleasant Ridge Manor, the county nursing home. Pleasant Ridge Manor is a business –type activity.



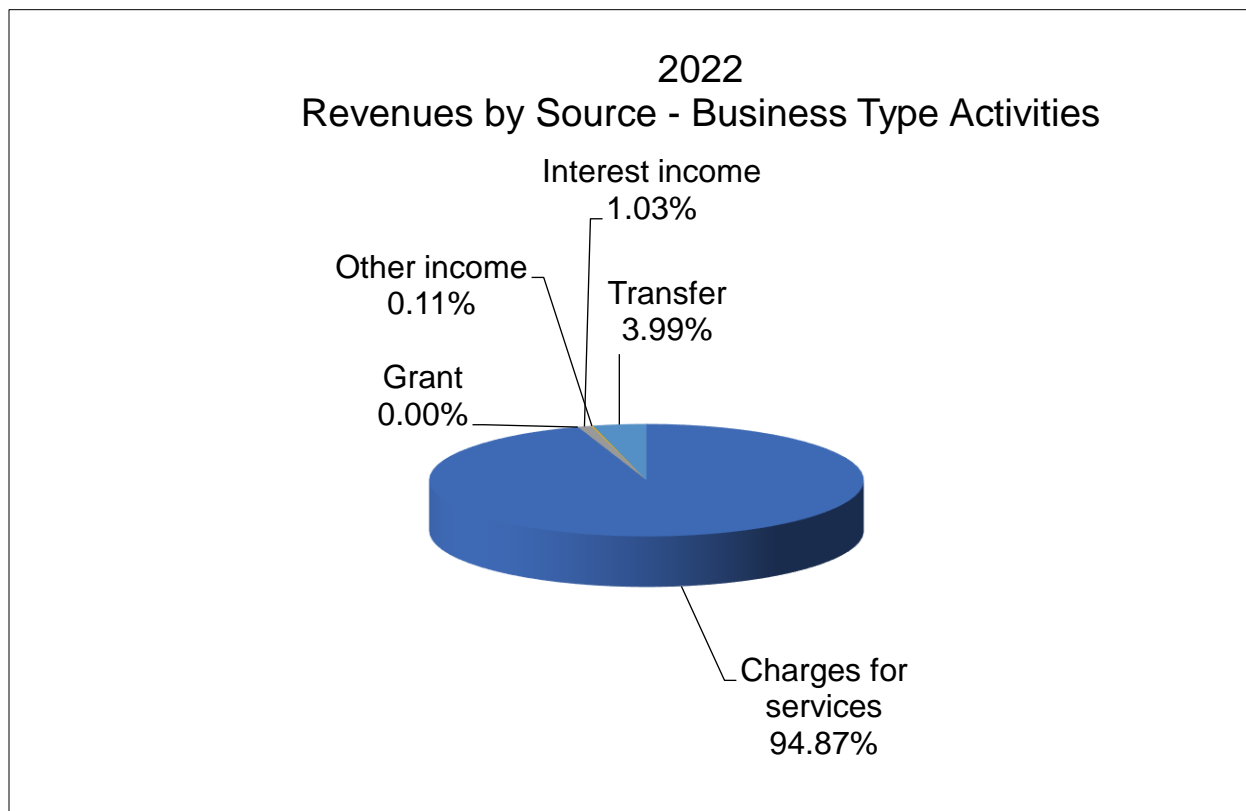
COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022



Business-type Activities - The County's nursing home, Pleasant Ridge Manor, is the only business-type blended component unit of the County. In 2022, the total revenue for business-type activities increased by \$2.2 million. Operating revenue increased \$2.6 million due to an increase in the census. Pleasant Ridge Manor required a County transfer in 2022 of \$986,283. Total expenses for Pleasant Ridge Manor increased \$4.5 million, also due to an increase in the census.



COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022



Financial Analysis of the Government's Funds

As noted earlier, the County of Erie uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The County has sixteen governmental funds which are classified as either major or non-major funds. The County's major funds consist of the General Fund, Mental Health/Intellectual Disabilities, Health Choices, Children and Youth, ARPA, and Drug and Alcohol. Liquid Fuels, Domestic Relations, Public Health, Gaming, Library, Planning, Public Safety, Erie County Care Management, Capital Projects, and Debt Service are the non-major funds. The focus of the County of Erie's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County of Erie's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current year, the County of Erie's governmental funds reported combined fund balances of \$118,307,127, an increase of \$8,347,094, in comparison with the prior year. Approximately \$54,505,944, or 46.07%, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The *non-spendable* portion of the fund balance of \$186,104 consists of prepaid items.

Restricted fund balance is set aside by law or by external sources for specific purposes. As of the end of 2022, the County has \$58,543,667 in restricted fund balance for a variety of purposes including: 1) Economic Development - \$8,000,000, 2) Mental Health Services - \$22,487,770, 3) Community Grants in the Gaming Fund - \$7,190,583, 5) Erie County Care Management - \$8,502,527 6) Debt Service payments - \$2,464,613, 7) Emergency Services - \$1,233,785, 8) Judicial Services - \$1,762,231, 9) Community Redevelopment - \$1,247,962, 10) Recycling - \$272,082, 11) Roads and Bridges - \$6,864,037, 12) Land

COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

Preservation - \$17,790, 13) Child Support Enforcement - \$41,006, 14) Public Health - \$1,600, 15) Library Services - \$131,067, and 16) ARPA Program - \$88,855.

Assigned fund balance reflects amounts that the government intends to be used for a specific purpose that are neither restricted nor committed. The County assigned \$3,049,999 for various capital projects financed by prior bond issues.

The County does not have any *committed fund balance* in which the highest fiscal decision making authority of the County, County Council, would set aside for a specific purpose.

Governmental fund revenues, expenditures, other financing sources and uses, and net changes in fund balance as of December 31, 2022 and 2021 were as follows:

Fund	2022			Net Changes in Fund Balance	
	Revenues	Expenditures	Net Other Financing	2022	2021
General Fund	\$ 110,022,656	\$ 79,787,277	\$ (27,159,178)	\$ 3,076,201	\$ 1,817,683
Mental Health Intellectual Disabilities	43,033,548	44,149,966	1,116,418	-	-
Health Choices	145,164,100	138,785,473	-	6,378,627	2,004,667
Children & Youth Services	54,364,805	65,769,605	11,404,800	-	-
ARPA	5,434,545	5,356,442	-	78,103	10,752
Drug & Alcohol	6,602,839	6,884,703	281,864	-	-
Liquid Fuels	649,709	578,638	-	71,071	(129,799)
Domestic Relations	3,333,702	4,581,988	1,250,786	2,500	11,045
Public Health	9,094,843	11,565,254	2,351,162	(119,249)	(424,686)
Gaming	14,378,328	13,282,566	(2,416,610)	(1,320,848)	(1,168,181)
Library	1,887,611	7,515,871	5,620,758	(7,502)	(9,451)
Planning	3,734,404	3,823,475	985,611	896,540	1,265,560
Public Safety	5,733,140	5,764,808	(769,864)	(801,532)	450,849
Erie County Care Management	32,237,219	31,460,088	-	777,131	1,295,243
Capital Projects	15,022	712,661	-	(697,639)	294,788
Debt Service	13,690	6,908,726	6,908,727	13,691	8,226
Total	<u>\$ 435,700,161</u>	<u>\$ 426,927,541</u>	<u>\$ (425,526)</u>	<u>\$ 8,347,094</u>	<u>\$ 5,426,696</u>

The General Fund is the chief operating fund of the County of Erie. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$54,505,944 while total fund balance increased to \$64,454,576. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 49.30% of total General Fund expenditures and transfers, while total fund balance represents 58.30% of that same amount.

In 2022 the General Fund balance increased by \$3 million or 5% from the prior year. Total revenue decreased by \$2 million. Total expenditures decreased by \$4.5 million. Net other financing items decreased by \$1.2 million. Key factors for the changes are listed below:

- Real Estate taxes increased \$118,403 due to an increase in interim taxes.
- Hotel tax revenue increased \$778,515 due to lifted travel restrictions and increase in occupancy.
- Grant revenue in the General Fund decreased \$3.2 million or 46.50%. In 2021, the County received additional federal reimbursements for the housing of federal prisoners. The County did not receive this funding in 2022.

COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

- Interest income in the General Fund increased by \$716,080 due to the rise in interest rates currently being offered.
- Wages and fringes increase of 3%.
- Grant expenses in the General Fund decreased \$8.9 million. In 2021, several grants gave the County a one-time request in response to the COVID-19 pandemic, therefore the grant requests in 2022 were more customary.
- Transfers to other funds were below budget by \$2 million in 2022. The transfer to Pleasant Ridge Manor, the business-type activity, decreased \$5.3 million due to an increase in census.

Total government fund revenue decreased \$15.5 million or 3.44% overall. Total expenses decreased \$12.5 million or 2.85%.

The other non-major funds reported a decrease of \$1.1 million in fund balance.

- Liquid Fuels had an increase of \$71,071. Appropriation from the State went back to being more customary.
- Public Safety fund balance change was a decrease of \$801,532 as a result of increases in starting salaries of tele-communicator positions for 911.
- Erie County Care Management reported an increase of \$777,131. This increase was a result of increased per member per month capitation rates.
- Gaming saw a decrease of \$1.3 million due to delayed project initiatives.
- The Planning fund realized an increase of \$896,540 due to funding received for bridge and greenway projects and Act 89 funding which was the initiation of the \$5 additional charge on Erie County vehicle registration fees.
- Domestic relations saw a small increase in fund balance of \$2,500.
- In August of 2022 the County received another \$26,195,751 in ARPA funding. The following is a breakdown of what was spent to date with this year's award amount:
 - Different municipalities and municipal authorities received a total of \$2.2 million through the Municipal Assistance Reimbursement
 - Project Resolve received \$2.5 million in partnership with other technology experts and institutions to create a one of a kind tool that enables attraction of companies

COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

The following is a summary of the changes in governmental fund balances for the year 2022:

Fund	January 1, 2022	Net Change in Fund Balance	December 31, 2021
General Fund	\$ 61,378,375	\$ 3,076,201	\$ 64,454,576
Mental Health Intellectual Disabilities	-	-	-
Health Choices	16,109,143	6,378,627	22,487,770
Children & Youth Services	-	-	-
ARPA	10,752	78,103	88,855
Drug & Alcohol	-	-	-
Liquid Fuels	93,511	71,071	164,582
Domestic Relations	38,506	2,500	41,006
Public Health	121,113	(119,249)	1,864
Gaming	8,511,431	(1,320,848)	7,190,583
Library	148,984	(7,502)	141,482
Planning	7,340,749	896,540	8,237,289
Public Safety	2,145,985	(801,532)	1,344,453
Erie County Care Management	7,862,924	777,131	8,640,055
Capital Projects	3,747,638	(697,639)	3,049,999
Debt Service	2,450,922	13,691	2,464,613
Total Charge	\$ 109,960,033	\$ 8,347,094	\$ 118,307,127

General Fund Budgetary Highlights

In the 2022 budget, \$1.3 million was appropriated from fund balance in order to balance the budget. Over the course of the year, ordinances were passed amounting to an additional appropriation of fund balance of \$2,513,845, yet at year end the County added \$3 million back to fund balance. Key factors in the increase in fund balance and changes to the budget are as follows:

- Real Estate taxes were \$723,394 over budget. Tax collections for the most part came in higher than the budgeted amounts:
 - Current Collections - \$174,526
 - Rollbacktx-\$1,924
 - Rebate on Current Taxes - \$93,423
 - Delinquent Taxes - \$285,503
 - Payments in Lieu of Taxes - \$174,150
 - Penalty on taxes were \$59,136 above budget due to the expiration period of the County waiving the penalty phase of collection.
- Hotel taxes were \$1.4 million over budget due to the ban on travel being lifted and increased occupancy rates.
- Charges for services to the General Fund by actuals fell short \$4.5 million.
- Interest income was \$607,428 above budget due to the rise in interest rates.
- Retirees' hospitalization was \$82,746 below budget due to the limited procedures and doctor's office visits being permitted.

COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

Capital assets - The County of Erie's capital assets for its governmental funds as of December 31, 2022 amount to \$36,209,291 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings, building improvements, vehicles, equipment, leased right of use equipment, and leased right of use building space; the County does not have any infrastructure. The County of Erie's net capital assets increased approximately 37.94% or \$9.9 million for the reasons listed below:

Major capital asset events during the current fiscal year included the following:

- Renovations were started in the Blasco Library. Cost of this Project \$235,514.
- Public Safety completion of parking lot paving. The cost of the project is \$537,760
- The Erie County Prison was in need of a Hot Water Boiler costing \$445,765.
- Many laptops, video cameras and other computer equipment were purchased to aid in work from home and virtual meetings which required tagging of assets and entry into inventory for Furniture and Equipment. Additionally, the Economic Development Bureau new created need furniture and equipment.
- The County adopted GASB 87, "Leases", and began the reporting of "right of use assets", which are assets related to leased equipment and building space. These assets are amortized rather than depreciated.

For additional information please see Note 5, Capital Assets in the Notes to the Financial Statements in this report.

	Governmental activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 1,501,237	\$ 1,501,237	\$ 150,490	\$ 150,490	\$ 1,651,727	\$ 1,651,727
Land improvements	-	-	856,755	973,090	856,755	973,090
Buildings and improvements	17,988,729	20,425,021	1,051,869	1,212,368	19,040,598	21,637,389
Vehicles	908,608	1,163,921	-	-	908,608	1,163,921
Furniture and Equipment	14,481,688	2,084,304	2,320,811	2,448,744	16,802,499	4,533,048
Right of Use Equipment	110,809	75,998	-	-	110,809	75,998
Right of Use Building Space	1,218,220	999,656	-	-	1,218,220	999,656
Total	<u>\$ 36,209,291</u>	<u>\$ 26,250,137</u>	<u>\$ 4,379,925</u>	<u>\$ 4,784,692</u>	<u>\$ 40,589,216</u>	<u>\$ 31,034,829</u>

Long-Term Debt - At the end of the current fiscal year, the County of Erie had outstanding bonds of \$25,315,000, all of which comprises debt backed by the full faith and credit of the government.

The County has 2005, 2012, 2015 and 2017 general obligation bonds outstanding. Some of the issues such as part of the 2005, 2012, and 2017 issues refunded previous debt to take advantage of lower interest rates. Part of the 2005 issue financed renovations to county facilities such as telephone upgrades, HVAC systems, elevator and ADA accessibility upgrades, facade restoration and construction in the main Library, Prison, and Human Service Buildings, as well as computer upgrades and the purchase of voting machines. In 2015, the County issued general obligation bonds in the amount of \$17,380,000 for the Public Radio Project. In 2017, the County did a current refunding of the 2007 general obligation bonds. The refunding allowed the County to realize \$2.9 million in savings.

COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

The County also guaranteed \$104,500,000 of hotel revenue bonds issued by the Erie County Convention Center Authority for both a hotel completed in early 2008 next to the brand new Erie County Convention Center, and the construction of a new hotel and parking garage to the west of the Erie County Convention Center. The County does not anticipate that the convention center authority will default on the loans.

For additional information related to long-term debt, please refer to Note 10: Long Term Obligations in the Notes to the Financial Statement section in this report.

The County's business-type activity, Pleasant Ridge Manor, does not have any long-term debt.

County Bond Rating

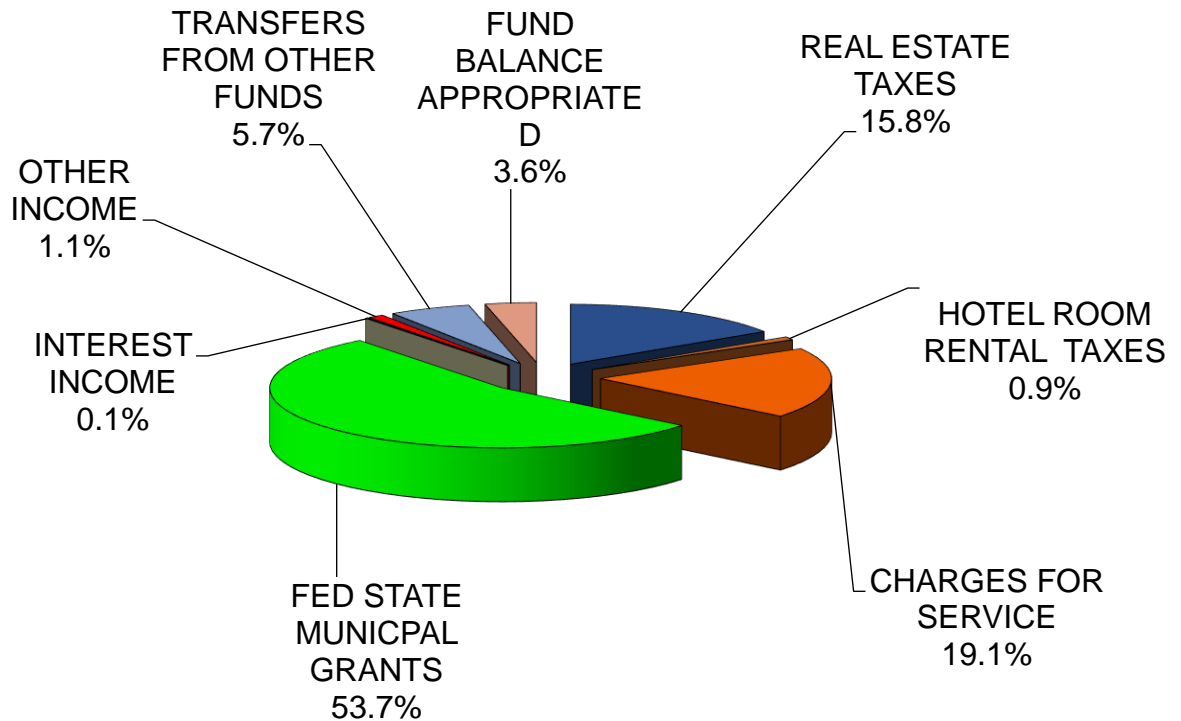
During 2012, Standard and Poor's upgraded the County's credit rating from AA- to AA. Moody's maintained the credit rating of Aa2. Standard and Poor's was affirmed in July of 2017. Moody's was reaffirmed in November 2018.

Economic Factors and Next Year's Budgets and Rates

- The County real estate tax rate remained the same in the 2023 budget process placing the current rate at 5.96 mils.
- The County has six bargaining units. Contracts are set to expire December 31, 2022, and new contracts will be negotiated for 2023. Wages are anticipated to increase due to the economic hardships we are in.
- The non-bargaining employees will receive a 4% increase in wages.
- The County will see an increase in medical and prescription plans due to the increase claims and services provided for in 2022. The wellness reward program plan implemented in 2021 will continue to be offered to employees for those who meet the four requirements such as filling out a health survey, having a physical, having a biometric screening, and taking part in a tobacco cessation if they smoke to remain at 5%. All others will increase to 10% of the monthly rates.
- There will be an option available allowing employees to opt out of medical coverage if they are currently covered elsewhere. Employees will also no longer be required to wait 90 days for coverage.
- The County's annual determined pension calculation changed from \$7,256,248 in 2022 to \$7,926,186 which was an increase of \$669,938.
- Gaming funds are being used to fund the grants to other organizations in the 2023 Budget even though the grants in the past were moved out of the Gaming Fund budget in order to restrict the fund balance to be used for the Community College. The College is now considered a component unit of the County and will continue to be part of the audit.
- Medical and prescription contracts are anticipated to increase within the Corrections department as mandated services will see an increase in contracted services.

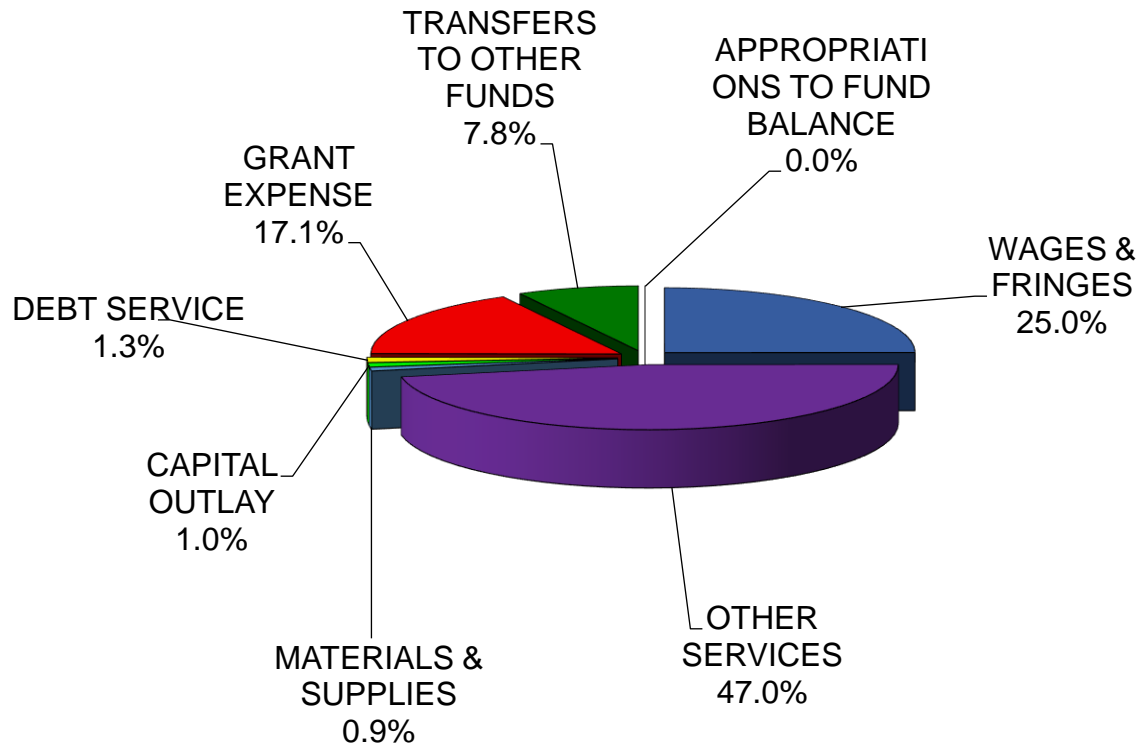
COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

2023
COUNTY OF ERIE FINAL BUDGET
TOTAL REVENUE FOR ALL FUNDS
\$ 558,442,850



COUNTY OF ERIE, PENNSYLVANIA
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

2023
COUNTY OF ERIE FINAL BUDGET
TOTAL EXPENDITURES FOR ALL FUNDS
\$ 558,442,850



Requests for Information

This financial report is designed to provide a general overview of the County of Erie's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Office, 140 West 6th Street, Room 505, Erie, Pennsylvania 16501. Information is also available on the County's website, eriecountypa.gov. The financial statements of Pleasant Ridge Manor and Pleasant Ridge Manor Pension Trust can be obtained from the administrative office at 8300 West Ridge Road, Girard, Pennsylvania 16417. The financial statements for Erie County Care Management can be requested from the fiscal office at 1527 Sassafra Street, Erie Pennsylvania 16502. The financial statements for Erie County Community College can be requested from 900 State Street, Suite 308, Erie, PA 16501.



BASIC FINANCIAL STATEMENTS

COUNTY OF ERIE, PENNSYLVANIA
STATEMENT OF NET POSITION
DECEMBER 31, 2022, MARCH 31, 2022, OR JUNE 30, 2022

	Primary Government			Component Units		
	Governmental Activities	Business-Type Activities	Total (Year End)	Erie County Gaming Revenue Authority (March 31, 2022)	Erie County Land Bank (December 31, 2022)	Erie County Community College (June 30, 2022)
Assets						
Current Assets:						
Cash and cash equivalents	\$ 141,121,878	\$ 2,329,449	\$ 143,451,327	\$ 16,655,467	\$ 3,677,104	\$ 3,871,918
Investments	3,548,546	-	3,548,546	-	-	-
Receivables, net	72,491,081	4,359,665	76,850,746	124,080	-	1,033,477
Inventory	-	199,116	199,116	-	-	-
Prepaid items	445,276	81,605	526,881	7,962	11,034	622,258
Other	-	10,369	10,369	-	222,129	15,000
Total current assets	217,606,781	6,980,204	224,586,985	16,787,509	3,910,267	5,542,653
Noncurrent assets:						
Designated cash	-	384,235	384,235	-	-	-
Designated investments	-	441,759	441,759	-	-	-
Advances to Redevelopment Authority	8,000,000	-	8,000,000	-	-	-
Note receivable	-	-	-	6,134,635	-	-
Capital assets not being depreciated	1,501,237	150,490	1,651,727	-	-	-
Capital assets, net accumulated depreciation and amortization	34,708,054	4,229,435	38,937,489	-	-	1,407,685
Total noncurrent assets	44,209,291	5,205,919	49,415,210	6,134,635	-	1,407,685
Total Assets	261,816,072	12,186,123	274,002,195	22,922,144	3,910,267	6,950,338
Deferred Outflows of Resources						
Deferred outflows of resources for pension	32,925,169	7,080,664	40,005,833	-	-	-
Deferred outflows of resources for OPEB	-	2,148,283	2,148,283	-	-	-
Total Deferred Outflows of Resources	32,925,169	9,228,947	42,154,116	-	-	-
Liabilities						
Current Liabilities:						
Accounts payable	42,982,977	4,285,193	47,268,170	-	90,855	96,116
Accrued liabilities	3,931,038	209,226	4,140,264	-	1,035	197,530
Due to other taxing units	1,735,859	-	1,735,859	-	-	-
Unearned revenue	34,527,963	-	34,527,963	3,989,488	-	2,405,020
Accrued interest payable	397,119	-	397,119	-	-	-
Compensated absences	23,077	289,684	312,761	-	-	-
Bonds payable	5,690,000	-	5,690,000	-	-	-
Lease payable, current portion	349,198	-	349,198	-	-	101,022
Other liabilities	-	198,183	198,183	-	-	-
Total current liabilities	89,637,231	4,982,286	94,619,517	3,989,488	91,890	2,799,688
Noncurrent liabilities:						
Workers' compensation reserve payable	-	74,107	74,107	-	-	-
Compensation absences	1,783,036	-	1,783,036	-	-	-
Leases payable	995,888	-	995,888	-	-	14,285
Bonds payable, net	21,938,823	-	21,938,823	-	-	-
Net Pension Liability	54,871,250	2,298,876	57,170,126	-	-	-
OPEB liability	28,059,681	3,800,285	31,859,966	-	-	-
Total noncurrent liabilities	107,648,678	6,173,268	113,821,946	-	-	14,285
Total Liabilities	197,285,909	11,155,554	208,441,463	3,989,488	91,890	2,813,973
Deferred Inflows of Resources						
Deferred inflows of resources for pension	31,660	766,226	797,886	-	-	-
Deferred inflows of resources for OPEB	-	689,169	689,169	-	-	-
Deferred inflows of resources for leases	47,495	-	47,495	-	-	-
Total Deferred Inflows of Resources	79,155	1,455,395	1,534,550	-	-	-
Net investment in capital assets	13,193,039	4,379,925	17,572,964	-	-	1,306,663
Restricted for:						
Economic development	8,000,000	-	8,000,000	18,932,656	3,818,377	-
Debt service	2,464,613	-	2,464,613	-	-	-
Public health	1,864	-	1,864	-	-	-
Library	141,482	-	141,482	-	-	-
Liquid fuels	164,582	-	164,582	-	-	-
Court and related offices	1,803,327	-	1,803,327	-	-	-
Community College	-	-	-	-	-	15,000
Community services	65,364,076	-	65,364,076	-	-	-
Unrestricted	6,243,194	4,424,196	10,667,390	-	-	2,814,702
Total Net Position	\$ 97,376,177	\$ 8,804,121	\$ 106,180,298	\$ 18,932,656	\$ 3,818,377	\$ 4,136,365

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022, OR JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Erie County Gaming Revenue Authority (March 31, 2022)	Erie County Land Bank (Dec. 31, 2022)	Erie County Community College (June 30, 2022)
					Governmental Activities	Business-Type Activities	Total (Dec. 31, 2022)			
Primary Government:										
Governmental activities										
General government	\$ 25,401,263	\$ 3,596,442	191,035	\$ -	\$ (21,613,786)	\$ -	\$ (21,613,786)	\$ -	\$ -	\$ -
Courts and related offices	23,789,941	5,524,166	4,443,192	-	(13,822,583)	-	(13,822,583)	-	-	-
Corrections	39,644,746	2,570,387	7,358,929	-	(29,715,430)	-	(29,715,430)	-	-	-
Community services	294,600,823	42,073,815	277,436,554	-	24,909,546	-	24,909,546	-	-	-
Public health	11,854,777	644,231	8,398,581	-	(2,811,965)	-	(2,811,965)	-	-	-
Public works	578,638	-	648,951	-	70,313	-	70,313	-	-	-
Library	7,477,806	87,303	1,677,961	-	(5,712,542)	-	(5,712,542)	-	-	-
Interest	777,617	-	-	-	(777,617)	-	(777,617)	-	-	-
Total governmental activities	404,125,611	54,496,344	300,155,203	-	(49,474,064)	-	(49,474,064)	-	-	-
Business-type activities:										
County owned long-term care facility	27,933,769	23,451,377	848,997	27,307	-	(3,606,088)	(3,606,088)	-	-	-
Total primary government	432,059,380	77,947,721	301,004,200	27,307	(49,474,064)	(3,606,088)	(53,080,152)	-	-	-
Component units:										
Erie County Gaming Revenue Authority	3,702,241	6,277,937	10,512	-	-	-	-	2,586,208	-	-
Erie County Community College	4,901,301	-	5,536,755	1,690,737	-	-	-	-	-	2,326,191
Erie County Land Bank	426,866	1,000,000	-	98,940	-	-	-	-	672,074	-
Total component units	\$ 9,030,408	\$ 7,277,937	\$ 5,547,267	\$ 1,789,677	-	-	-	2,586,208	672,074	2,326,191
General revenues:										
Taxes:										
Property					87,437,482	-	87,437,482	-	-	-
Hotel room					6,158,284	-	6,158,284	-	-	-
Interest income					1,080,752	255,660	1,336,412	101,125	5,129	-
Other income					2,659,581	-	2,659,581	-	-	-
Transfers					(986,283)	986,283	-	-	-	-
Total general revenues and transfers					96,349,816	1,241,943	97,591,759	101,125	5,129	-
Changes in Net Position					46,875,752	(2,364,145)	44,511,607	2,687,333	677,203	2,326,191
Net position - beginning of year					50,500,425	11,168,266	61,668,691	16,245,323	3,141,174	1,810,174
Net position - end of year					<u>\$ 97,376,177</u>	<u>\$ 8,804,121</u>	<u>\$ 106,180,298</u>	<u>\$ 18,932,656</u>	<u>\$ 3,818,377</u>	<u>\$ 4,136,365</u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

Assets	General	Mental Health/ Intellectual Disabilities	Health Choices
Cash and cash equivalents	\$ 47,622,475	\$ 9,058,952	\$ 32,702,846
Investments	-	-	2,699,425
Receivables, net	10,398,614	1,305,443	13,702,428
Due from other funds	12,495,437	3,000	12,606
Prepaid items	186,401	-	-
Advance to Redevelopment Authority	8,000,000	-	-
Total Assets	\$ 78,702,927	\$ 10,367,395	\$ 49,117,305
Liabilities, Deferred			
Inflows of Resources and Fund Balance			
Liabilities:			
Accounts payable	\$ 2,543,630	\$ 3,002,483	\$ 26,545,474
Accrued liabilities	2,128,087	71,109	42,257
Due to other funds	2,741,823	152,702	41,804
Due to other taxing units	3,245	-	-
Unearned revenue	699,118	7,141,101	-
Total Liabilities	8,115,903	10,367,395	26,629,535
Deferred Inflows of Resources			
Unavailable revenue - leases	47,495	-	-
Unavailable revenue - property taxes	4,649,234	-	-
Unavailable revenue - other	1,435,719	-	-
Total Deferred Inflows of Resources	6,132,448	-	-
Fund Balance:			
Nonspendable:			
Prepaid items	186,401	-	-
Restricted for:			
Judicial services	1,762,231	-	-
Child support enforcement	-	-	-
Road and bridges improvements	-	-	-
Public health services	-	-	-
Mental health services	-	-	22,487,770
Erie County Care Management	-	-	-
Library services	-	-	-
Emergency services	-	-	-
Land preservation	-	-	-
Community grants	-	-	-
Community redevelopment	-	-	-
Recycling	-	-	-
Economic Development Revolving Loans	8,000,000	-	-
ARPA Program	-	-	-
Debt payments on general obligation bonds	-	-	-
Assigned for:			
Various capital projects	-	-	-
Unassigned	54,505,944	-	-
Total Fund Balance	64,454,576	-	22,487,770
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 78,702,927	\$ 10,367,395	\$ 49,117,305

The accompanying notes are an integral part of the financial statements.

Children and Youth	ARPA	Drug and Alcohol	Other Governmental Funds	Total Governmental Funds
\$ 456,232	\$ 25,427,445	\$ 661,964	\$ 25,191,964	\$ 141,121,878
-	-	-	849,121	3,548,546
17,175,439	16,066	15,099,255	14,618,471	72,315,716
62,052	1,332	-	1,204,163	13,778,590
-	-	-	258,875	445,276
-	-	-	-	8,000,000
<u>\$ 17,693,723</u>	<u>\$ 25,444,843</u>	<u>\$ 15,761,219</u>	<u>\$ 42,122,594</u>	<u>\$ 239,210,006</u>

\$ 6,572,940	12,045	\$ 519,490	\$ 3,044,629	\$ 42,240,691
691,432	-	62,595	895,653	3,891,133
9,772,147	-	233,385	4,487,175	17,429,036
-	-	-	1,732,614	1,735,859
657,204	25,343,943	-	686,597	34,527,963
<u>17,693,723</u>	<u>25,355,988</u>	<u>815,470</u>	<u>10,846,668</u>	<u>99,824,682</u>
-	-	-	-	47,495
-	-	-	-	4,649,234
-	-	14,945,749	-	16,381,468
-	-	14,945,749	-	21,078,197

-	-	-	258,875	445,276
-	-	-	-	1,762,231
-	-	-	41,006	41,006
-	-	-	6,864,037	6,864,037
-	-	-	1,600	1,600
-	-	-	-	22,487,770
-	-	-	8,502,527	8,502,527
-	-	-	131,067	131,067
-	-	-	1,233,785	1,233,785
-	-	-	17,790	17,790
-	-	-	7,190,583	7,190,583
-	-	-	1,247,962	1,247,962
-	-	-	272,082	272,082
-	-	-	-	8,000,000
-	88,855	-	-	88,855
-	-	-	2,464,613	2,464,613
-	-	-	3,049,999	3,049,999
-	-	-	-	54,505,944
<u>-</u>	<u>88,855</u>	<u>-</u>	<u>31,275,926</u>	<u>118,307,127</u>
<u>\$ 17,693,723</u>	<u>\$ 25,444,843</u>	<u>\$ 15,761,219</u>	<u>\$ 42,122,594</u>	<u>\$ 239,210,006</u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA
 RECONCILIATION OF THE GOVERNMENTAL FUNDS
 BALANCE SHEET TO THE STATEMENT OF NET POSITION
 DECEMBER 31, 2022

Total Fund Balance - Governmental Funds **\$ 118,307,127**

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources, and, therefore, are not reported in the governmental funds. 36,209,291

Certain long-term assets are not available to pay current period expenditures, and, therefore, are reported as unavailable revenue in the governmental funds. 21,030,702

An Internal Service Fund is used by management to charge the costs of employee benefits to individual funds. The assets and liabilities of the Internal Service Fund are included in the governmental activities in the statement of net position. 3,043,620

The other post-employment benefits liability is reflected on the statement of net position, but is not considered a current expenditure for the governmental fund statements. (28,059,681)

The net pension asset is reflected on the statement of net position, but is not considered a current expenditure for the governmental fund statements. (54,871,250)

Deferred outflows and inflows of resources for pensions and OPEB are recorded and amortized in the statement of net position and are not recorded on the fund financial statements. 32,893,509

Current liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:

Bonds payable	(25,315,000)	
Bond premium	(2,313,823)	
Leases payable	(1,345,086)	
Compensated absences	(1,806,113)	
Accrued interest payable	(397,119)	(31,177,141)

Total Net Position - Governmental Activities **\$ 97,376,177**

COUNTY OF ERIE, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	General	Mental Health/ Intellectual Disabilities	Health Choices
Revenues:			
Real estate taxes	\$ 87,552,128	\$ -	\$ -
Hotel tax	6,158,284	-	-
Federal, state, and municipal grants	3,780,401	42,875,027	145,147,784
Charges for services	11,634,034	-	-
Interest income	801,928	130,369	16,316
Other income	95,881	28,152	-
Total Revenues	110,022,656	43,033,548	145,164,100
Expenditures:			
Current:			
General government	22,069,910	-	-
Courts and related offices	22,188,210	-	-
Corrections	31,306,370	-	-
Community services	2,880,866	44,149,966	138,785,473
Public health	-	-	-
Public works	-	-	-
Library	-	-	-
Other	-	-	-
Capital outlay	1,043,168	-	-
Debt service:			
Lease Principal	270,662	-	-
Lease Interest	28,091	-	-
Bond Principal	-	-	-
Bond Interest	-	-	-
Total expenditures	79,787,277	44,149,966	138,785,473
Excess (Deficiency) of Revenue Over (Under) Expenditures	30,235,379	(1,116,418)	6,378,627
Other Financing Sources (Uses):			
Proceeds from lease financing	540,094	-	-
Recognition of unavailable lease revenue	20,663	-	-
Transfers in	3,041,763	1,116,418	-
Transfers out	(30,761,698)	-	-
Total other financing sources (uses)	(27,159,178)	1,116,418	-
Net Change in Fund Balance	3,076,201	-	6,378,627
Fund Balance:			
Beginning of year	61,378,375	-	16,109,143
End of year	\$ 64,454,576	\$ -	\$ 22,487,770

The accompanying notes are an integral part of the financial statements.

Children and Youth	ARPA	Drug and Alcohol	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 87,552,128
-	-	-	-	6,158,284
53,761,541	5,356,442	6,403,950	42,918,913	300,244,058
601,714	-	196,690	25,593,583	38,026,021
1,550	78,103	2,199	50,287	1,080,752
-	-	-	2,514,885	2,638,918
<u>54,364,805</u>	<u>5,434,545</u>	<u>6,602,839</u>	<u>71,077,668</u>	<u>435,700,161</u>
-	-	-	-	22,069,910
-	-	-	4,581,988	26,770,198
10,644,594	-	-	-	41,950,964
54,997,411	5,325,982	6,884,703	52,026,851	305,051,252
-	-	-	11,561,054	11,561,054
-	-	-	578,638	578,638
-	-	-	7,467,876	7,467,876
-	-	-	3,165	3,165
127,600	30,460	-	3,068,942	4,270,170
-	-	-	-	270,662
-	-	-	-	28,091
-	-	-	5,420,000	5,420,000
-	-	-	1,485,561	1,485,561
<u>65,769,605</u>	<u>5,356,442</u>	<u>6,884,703</u>	<u>86,194,075</u>	<u>426,927,541</u>
<u>(11,404,800)</u>	<u>78,103</u>	<u>(281,864)</u>	<u>(15,116,407)</u>	<u>8,772,620</u>
-	-	-	-	540,094
-	-	-	-	20,663
11,695,200	-	281,864	18,801,458	34,936,703
<u>(290,400)</u>	<u>-</u>	<u>-</u>	<u>(4,870,888)</u>	<u>(35,922,986)</u>
<u>11,404,800</u>	<u>-</u>	<u>281,864</u>	<u>13,930,570</u>	<u>(425,526)</u>
-	78,103	-	(1,185,837)	8,347,094
-	10,752	-	32,461,763	109,960,033
<u>\$ -</u>	<u>\$ 88,855</u>	<u>\$ -</u>	<u>\$ 31,275,926</u>	<u>\$ 118,307,127</u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2022

Net Change in Fund Balance - Governmental Funds **\$ 8,347,094**

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays, reported as expenditures in the governmental funds, are shown as capital assets in the statement of net position:

Buildings and improvements	6,851	
Vehicles	164,226	
Furniture and equipment	15,025,544	
Right of use equipment	60,564	
Right of use building space	479,530	15,736,715

Depreciation and amortization expense of governmental capital assets is included in the governmental activities on the statement of activities. (5,300,675)

The net effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, or donations) is to decrease net position. (476,886)

Changes in the other post-employment benefits liability are reflected on the statement of net position but are not considered a current expenditure for the fund statements. 14,688,886

Repayment of long-term debt is reported as an expenditure in the governmental funds, but a reduction of long-term liabilities in the statement of net position. In the current year, these amounts are:

Bond principal payments	5,420,000	
Lease principal payments	270,662	
Change in compensation absences	184,474	5,875,136

Proceeds from long-term debt provide current financial resources to governmental funds; however, issuing debt increases long-term liabilities on the statement of net position. (540,094)

The governmental fund financial statements report the effect of bond premiums when debt is first issued, whereas these amounts are amortized in the statement of activities. 651,134

Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. 84,900

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 16,266,822

Changes in the net pension liability and related deferred outflows and inflows of resources reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (7,018,347)

Internal Service Funds are used by management to charge the costs to individual funds. The net operating income (loss) of certain activities of the Internal Service Fund is reported within governmental activities. (1,438,933)

Change in Net Position of Governmental Activities **\$ 46,875,752**

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022

	Business-Type Activities Enterprise Fund <u>Pleasant Ridge Manor</u>	Governmental Activities <u>Internal Service Funds</u>
Assets and Deferred Outflows of Resources:		
Assets:		
Current assets:		
Cash and cash equivalents	\$ 2,329,449	\$ -
Receivables:		
Accounts receivable	1,636	175,365
Due from other funds	-	3,650,446
Resident receivables (net of allowance of \$1,153,700)	4,358,029	-
Inventories	199,116	-
Other assets	10,369	-
Prepaid expenses	81,605	-
Total current assets	<u>6,980,204</u>	<u>3,825,811</u>
Noncurrent assets:		
Designated assets:		
Designated cash and cash equivalents:		
Dental Insurance Fund	2,178	-
Workers' Compensation Fund	2,282	-
Depreciation Reserve Fund	379,775	-
Designated Investment:		
Workers' Compensation Fund	441,759	-
Total designated assets	<u>825,994</u>	<u>-</u>
Capital assets, not being depreciated	150,490	-
Capital assets, net of accumulated depreciation	4,229,435	-
Total capital assets	<u>4,379,925</u>	<u>-</u>
Total noncurrent assets	<u>5,205,919</u>	<u>-</u>
Total assets	<u>12,186,123</u>	<u>3,825,811</u>
Deferred Outflows of Resources:		
Deferred outflows of resources for pension	7,080,664	-
Deferred outflows of resources for OPEB	2,148,283	-
Total Deferred Outflows of Resources	<u>9,228,947</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u><u>\$ 21,415,070</u></u>	<u><u>\$ 3,825,811</u></u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (CONTINUED)
DECEMBER 31, 2022

	Business-Type Activities Enterprise Fund Pleasant Ridge Manor	Governmental Activities Internal Service Funds
Liabilities, Deferred Inflows of Resources, and Net Position		
Liabilities:		
Current liabilities:		
Accounts payable	\$ 4,017,142	\$ -
Medical claims payable	268,051	742,287
Accrued liabilities	-	39,904
Accrued payroll and related taxes	209,226	-
Compensated absences	289,684	-
Other liabilities	198,183	-
Total current liabilities	4,982,286	782,191
Noncurrent liabilities:		
Workers' compensation reserve payable	74,107	-
Net pension liability	2,298,876	-
OPEB liability	3,800,285	-
Total noncurrent liabilities	6,173,268	-
Total liabilities	11,155,554	782,191
Deferred Inflows of Resources:		
Deferred inflows of resources for pension	766,226	-
Deferred inflows of resources for OPEB	689,169	-
Total Deferred inflows of Resources	1,455,395	-
Net Position:		
Net investment in capital assets	4,379,925	-
Unrestricted	4,424,196	3,043,620
Total Net Position	8,804,121	3,043,620
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 21,415,070	\$ 3,825,811

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-Type Activities Enterprise Fund Pleasant Ridge Manor	Governmental Activities Internal Service Funds
Operating Revenues:		
Net resident service revenue	\$ 23,380,858	\$ -
Other operating revenue	70,519	-
Employer contributions	-	31,673,612
Employee contributions	-	1,034,900
	<hr/>	<hr/>
Total operating revenues	23,451,377	32,708,512
	<hr/>	<hr/>
Operating Expenses:		
Administration	1,800,190	-
Professional services	74,027	-
Therapy	694,497	-
General services	1,273,799	-
Pharmacy	1,295,079	-
Nursing	10,065,779	-
Dietary	2,512,865	-
Maintenance	709,769	-
Laundry	598,926	-
Housekeeping	900,238	-
Security	106,749	-
Utilities	558,322	-
General liability insurance	184,599	-
Depreciation	882,069	-
Bank fees	1,656	-
Benefits expense	6,275,205	11,819,224
Insurance premiums	-	987,701
Claims payments	-	21,340,520
	<hr/>	<hr/>
Total operating expenses	27,933,769	34,147,445
	<hr/>	<hr/>
Operating Income (Loss)	(4,482,392)	(1,438,933)
	<hr/>	<hr/>
Nonoperating Revenues (Expenses):		
Interest revenue	5,775	-
Grants and contributions	848,997	-
Dividend on stocks	249,885	-
	<hr/>	<hr/>
Total nonoperating revenues (expenses), before transfers	1,104,657	-
	<hr/>	<hr/>
Capital contribution - donated equipment	27,307	-
Transfers In	986,283	-
	<hr/>	<hr/>
Change in Net Position	(2,364,145)	(1,438,933)
	<hr/>	<hr/>
Net Position:		
Beginning of year	11,168,266	4,482,553
	<hr/>	<hr/>
End of year	\$ 8,804,121	\$ 3,043,620
	<hr/>	<hr/>

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-Type Activities Enterprise Fund Pleasant Ridge Manor	Governmental Activities Internal Service Funds
Cash Flows From Operating Activities:		
Receipts from patient services	\$ 23,571,200	\$ -
Receipts from miscellaneous sources	70,519	-
Cash received from users	-	32,708,512
Payment to employees	(16,376,933)	-
Payment for employees benefits	(6,696,078)	(32,708,512)
Payment to suppliers and operations	(3,479,845)	-
Net cash provided by (used in) operating activities	(2,911,137)	-
Cash Flows From Noncapital Financing Activities:		
Grants and contributions	(684,369)	-
Transfers from other funds	986,283	-
Net cash provided by (used in) noncapital financial activities	301,914	-
Cash Flows From Capital and Related Financing Activities:		
Acquisition, constructing, and improvement of capital assets	(449,995)	-
Cash Flows From Investing Activities:		
Dividends on stock	249,885	-
Interest	5,775	-
Net cash provided by (used in) investing activities	255,660	-
Net Increase in Cash and Cash Equivalents	(2,803,558)	-
Cash and Cash Equivalents:		
Beginning of year	5,517,242	-
End of year	\$ 2,713,684	\$ -
Consist of:		
Cash and cash equivalents	\$ 2,329,449	\$ -
Designated cash and cash equivalents	384,235	-
	\$ 2,713,684	\$ -

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

**Reconciliation of Operating Income (Loss) to Net
Cash Provided by (Used in) Operating Activities:**

Operating income (loss)	\$	(4,482,392)	\$	(1,438,933)
Adjustments to reconcile operating income (loss) to net Cash provided by (used in) operating activities:				
Depreciation		882,069		-
Pension (income) expense		(142,701)		-
OPEB (income) expense		(116,246)		-
Change in operating assets and liabilities:				
Accounts receivable		-		151,696
Resident receivables		191,740		-
Amount due from third party payers		(1,398)		-
Due from other funds		-		1,281,532
Inventories		33,023		-
Prepaid expenses		72,837		85,615
Accounts payable		759,405		-
Medical claims payable		43,579		(11,680)
Accrued liabilities		-		(68,230)
Accrued payroll and related taxes		(8,523)		-
Compensated absences		(180,342)		-
Workers' compensation reserve payable		37,812		-
Total adjustments		<u>1,571,255</u>		<u>1,438,933</u>
Net cash provided by (used in) operating activities	\$	<u>(2,911,137)</u>	\$	<u>-</u>

Schedule of Non-cash Capital and Related Financing Activities:

Donated capital equipment	\$	<u>27,307</u>	\$	<u>-</u>
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The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2022

	Pension Trust	Custodial Funds
Assets		
Cash and cash equivalents	\$ 4,635,967	\$ 6,909,224
Investments:		
U.S. governmental obligations	37,251,689	1,894,572
Corporate debt obligations	28,761,497	-
Other fixed income	866,004	-
Mutual funds - fixed income	71,395,712	-
Mutual funds - equity	105,060,800	-
Property trusts	29,454,521	-
Private equity	25,290,784	-
Exchange traded funds	5,474,208	-
Domestic equities	40,357,125	-
Total investments	343,912,340	1,894,572
Receivables:		
Property taxes receivable	-	9,634,455
Contributions receivable	21,032	-
Interest and other receivables	621,125	720
Total receivables	642,157	9,635,175
Total Assets	\$ 349,190,464	\$ 18,438,971
Liabilities		
Accounts payable	\$ -	\$ 4,171,203
Due to other governmental units	-	9,638,167
Total Liabilities	-	13,809,370
Net Position		
Restricted for:		
Individuals, organizations, and other governments		4,629,601
Pension benefits	349,190,464	-
Total Net Pension	\$ 349,190,464	\$ 4,629,601

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Pension Trust	Custodial Funds
Additions:		
Property tax collected for other governments	\$ -	\$ 46,901,949
Realty tax collected for other governments	-	10,754,043
Inheritance tax collected for other governments	-	29,771,790
Fees collected for other governments	-	38,353,138
Investment earnings	-	20,403
Patient income (PRM & ECCM)	-	5,402,075
Inmate account collections	-	1,971,817
Collections for support	-	976,148
Fees and fines collected	-	1,325,229
Contributions:		
Employee	5,312,724	-
Employer	7,318,686	-
Total contributions	12,631,410	135,476,592
Investment income:		
Net appreciation in fair value of investments	(54,414,708)	-
Interest and dividends	7,628,345	-
Total investment income	(46,786,363)	-
Less investment expense	614,626	-
Net investment income	(47,400,989)	-
Total additions	(34,769,579)	135,476,592
Deductions:		
Pension benefits and refunds	26,373,133	-
Administrative expense	299,555	-
Property tax collections to other governments	-	46,903,949
Realty tax collections to other governments	-	10,650,289
Inheritance tax collected to other governments	-	29,772,633
Fees collected to other governments	-	36,158,146
Net decrease in fair value of Investments	-	205,819
Sheriff sales (real estate) disbursed	-	3,123,913
Patient expense (PRM & ECCM)	-	5,577,155
Inmate disbursements	-	2,228,693
Support payments	-	987,263
Payments to other entities	-	1,356,196
Total deductions	26,672,688	136,964,056
Change in Net Position	(61,442,267)	(1,487,464)
Net Position, Beginning of year	410,632,731	6,117,065
Net Position, End of year	\$ 349,190,464	\$ 4,629,601

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The County of Erie, Pennsylvania operates under a Home Rule Charter which became effective January 1, 1978. The County operates under a Council – Executive form of government. There are nine offices elected county-wide, which are: county council, county executive, county controller, district attorney, sheriff, coroner, clerk of records, common pleas judges and magisterial district judges. The seven-member board of County Council (County) is the legislative body of the County. The daily operations of the County are the responsibility of the County Executive.

Services provided by the County and accounted for within these financial statements include courts and corrections, health and social services, library, public safety, planning, economic development, and general governmental services.

The accompanying financial statements presents the County (the primary government) and its component units, entities for which the primary government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the primary government.

Blended Component Units

Erie County Care Management, Inc. (Corporation) is governed by a Board of Directors appointed by the County Executive with the advice and consent of Council. All agreements and budgets are to be approved by the primary government. Legal liability for the Corporation's debt remains with the primary government. The Corporation provides services entirely, or almost entirely, to the primary government or otherwise exclusively, or almost exclusively, benefits the primary government even though it does not provide services directly to it. The Corporation is reported as a non-major Special Revenue Fund. Complete financial statements can be obtained from the administrative office at 1601 Sassafra Street, Erie, PA 16502.

Pleasant Ridge Manor (PRM) is organized to provide public health and nursing care to indigent persons almost exclusively within the County. PRM is governed by a Board of Trustees comprised of the primary government's elected Council. Under the terms of the statement of agreement dated April 15, 1980 between the County and PRM, the County has full and entire right of control of the financial affairs of PRM and thus a financial benefit or burden relationship exists. PRM is reported as an enterprise fund.

Discretely Presented Component Units

The Erie County Gaming Revenue Authority (Authority) was created by County government to administer the restricted gaming revenue in accordance with state statute. The County must use an economic development authority to administer the restricted gaming funds. The Authority members are appointed by the Council and receive and review applications for the restricted gaming funds. The Authority receives all of its operating revenue from the County. The Authority operates on a fiscal year ending March 31. The Authority's financial statements for the year ended March 31, 2022 are included in this report. Complete financial statements of the Authority can be obtained from Erie County Gaming Revenue Authority, 5240 Knowledge Parkway, Suite A, Erie, Pennsylvania, 16510.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Discretely Presented Component Units (Continued)

The Erie County Land Bank (Land Bank) was created by County government on June 7, 2018 to acquire, hold, and transfer interest in real property throughout the County. The County awards a portion of its restricted gaming funds to the Land Bank. The Land Bank's Board of Directors are appointed by County Council and the County Executive. The Land Bank receives all of its operating revenue from the County. The Land Bank operates on a fiscal year ending December 31. The Land Bank's financial statements for the period January 1, 2022 to December 31, 2022 are included in this report. Complete financial statements of the Land Bank can be obtained from the Erie County Department of Planning & Community Development, 150 East Front Street, Suite 300, Erie, Pennsylvania 16507.

The Erie County Community College (College) was established by the Pennsylvania State Board of Education on July 8, 2020 pursuant to the Community College Act of 1963. The County Council are local sponsors of the College and are responsible for reviewing the College's operating and capital budgets and for approving any debt issued on behalf of the College. Primary revenue sources for the College are student tuition and fees and county and state appropriations. The College operates on a fiscal year ending June 30. The college's financial statements for the period July 1, 2021 through June 30, 2022 are included in this report. Complete financial statements of the College can be obtained from the College at 900 State Street, Suite 308, Erie, PA 16501.

Fiduciary Component Units

The Erie County Employees' Pension Plan ("Plan") was established to provide retirement, disability, and death benefits to eligible retirees of the County. The Plan is included in the financial reporting entity as a fiduciary fund because the Plan is (1) considered to be a separate legal entity, (2) the County appoints a voting majority of the governing board, and (3) the plan imposes a financial burden on the County as it is legally obligated or has assumed an obligation to make contributions to the Plan.

The Pleasant Ridge Manor Pension Plan ("Plan") was established to provide retirement, disability, and death benefits to eligible retirees of PRM. The Plan is included in the financial reporting entity as a fiduciary fund because the Plan is (1) considered to be a separate legal entity, (2) PRM appoints a voting majority of the governing board, and (3) the plan imposes a financial burden on PRM as it is legally obligated or has assumed an obligation to make contributions to the Plan.

COUNTY OF ERIE, PENNSYLVANIA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (CONTINUED)

Related Organizations

The Board of Council is also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations generally does not extend beyond making the appointments. These organizations include:

- Erie County Housing Authority
- Erie County Redevelopment Authority
- Erie County Industrial Development Authority
- Erie County Hospital Authority
- Erie County Metropolitan Transit Authority
- Erie County General Authority
- Convention Center Authority
- Erie County Conservation District Authority

Government-wide Financial Statements

Government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

Basis of Presentation – Government-wide Financial Statements

Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those designated for specific purposes, and other internally designated resources are reported as general revenues rather than as program revenues.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has two discretely presented component units. While the Authority, Land Bank, and Community College are not considered to be major component units, they are nevertheless shown in separate columns in the government-wide financial statements.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Basis of Presentation – Government-wide Financial Statements (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

General Fund

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. Revenues of this fund are primarily derived from real estate taxes, federal and state grants, and fees for services. Many of the basic activities of the County are accounted for in this fund, including operation of general County government, the courts systems, and corrections.

Mental Health/Intellectual Disabilities Fund

This fund administers local agency providers of mental health and intellectual disabilities services. The fund also administers various programs for transportation, adult services, and in-home health. The primary source of revenue for this fund is federal and state grants which are restricted for this respective program.

Health Choices Fund

This fund accounts for the medical assistance funding for mental health, drug and alcohol and children services programs. The primary source of revenue for this fund is state grants which are restricted for Health Choices programs.

Children and Youth Fund

This fund accounts for the child protective services and a juvenile detention center. The primary source of revenue for this fund is federal and state grants which are restricted for Children and Youth service programs.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Gaming Fund

This fund is provided by revenue received from the operation of Presque Isle Downs and Casino. \$1 million of the funds received are appropriated for the operation of the Land Bank. Of the remaining funds, 55% of the funds received support regional assets. The remaining 45% is restricted to operating and capital projects for contiguous municipalities that result from the operation of the casino. The County remits all restricted gaming funds to the Authority and Land Bank as soon as they are collected. The Authority and Land Bank allocate these funds based upon their distribution plan.

ARPA Fund

This fund accounts for receipts and expenditures related to the American Rescue Plan Act.

Capital Projects Fund

This fund accounts for capital improvements which are financed from general obligation bond issues and other specified receipts.

The government reports the following major enterprise fund:

Pleasant Ridge Manor

This fund accounts for operations of the Erie County Nursing Home, and is financed and operated in a manner similar to private business enterprise – where the intent of the governing body is that costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges and cost reimbursement plans.

Additionally, the government reports the following unit types:

Internal Service Fund

This fund accounts for finance services and commodities furnished exclusively to user offices, departments, and other funds of the County on a cost reimbursement basis. The principal service provided includes a self-insurance program for health, prescription drug, and dental coverage. Operating revenues are from employer and employee premiums and operating expenses include benefit claims expense. All other revenues and expenses are recorded as non-operating. The Internal Service Fund (after elimination) is included in governmental activities for government-wide reporting purposes.

Pension Trust Funds

Includes the County Pension Trust, which accounts for the activities of the Erie County Employees' Retirement System and the Pleasant Ridge Manor Pension Trust, which accounts for the activities of the Pleasant Ridge Manor Employees' Pension Plan, both of which accumulate resources for pension benefit payments to qualified employees.

COUNTY OF ERIE, PENNSYLVANIA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (CONTINUED)

Custodial Funds

The custodial funds include assets held by the County in its role as custodian until the funds are allocated to the private parties, organizations or government agencies to which they belong. The County is responsible to ensure the assets reported in these funds are used for their intended purposes. Fiduciary funds are not included in the government-wide statements. The custodial funds account for the following activities:

- Collection of delinquent real estate taxes as well as disbursing the money to the appropriate taxing authority.
- Proceeds from various licenses.
- Prison services account for inmate, commissary, and work release activities.
- Magisterial District Judges receive cash from defendants and disburse to appropriate agencies.
- Clerk of Records accounts for fees associated with recording of deeds, prothonotary fees, cash bail, and registering of wills.
- Sheriff's office collects proceeds of real estate sales and various fines.
- Funds held for clients and residents.

During the course of operations, the government has activity between the funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated, so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated, so that the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated, so that only the net amount is included as transfers in governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated, so that the net amount is included as transfers in the business-type activities column.

Measurement Focus and Basis of Accounting

The financial statements of the County are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the authoritative standard-setting body for the establishment of governmental accounting financial reporting principles.

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources management focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, and OPEB and pension claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing resources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred when all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and pension trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Proprietary funds distinguish operating revenues and expenses from *nonoperating* items. Operating revenues and expense generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of PRM and the Internal Service Fund are charges to customers for services provided. Operating expenses for enterprise funds and internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Custodial funds are reported using the *economic resources measurement focus* and utilize the *accrual basis of accounting* for reporting their assets and liabilities.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Budgets and Budgetary Accounting

The budget is adopted on a basis consistent with GAAP. The County adopts budgets for all governmental funds. The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On or before October 1, the County Executive submits proposed budgets to the Council.
2. The Council hold public hearings on the proposed budgets, commencing not earlier than thirty days following receipt of the proposed budget.
3. Public hearings are conducted on the proposed budget. The proposed budget is available for public inspection for 20 days prior to final adoption.
4. On or before December 1, the budgets are adopted by the Council.

The appropriate budget is prepared by fund, function and department. The legal level of budgetary control for the County is the department level. While the department heads can transfer up to ten percent of their budget between line items without Council approval, the ten percent transfer is processed for presentation purposes only as a management tool. A department head has violated the budgetary procedures only if the department total exceeds the budget. For budget reporting purposes, each individual Special Revenue Fund is considered to be a department.

Unexpended budget appropriations expire at year-end and do not carry forward to future periods.

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Designated Cash

Designated cash represents cash set aside for liquidation of specific obligations as detailed in Note 2.

Investments

Investments are stated at fair value in all funds. Investments that do not have an established market value are reported at estimated fair value. Accordingly, the change in fair values of investments is recognized as an increase or decrease to investment assets and investment income. The County has one investment reported at cost; see further discussion related to such investment in Note 2.

Fair Value Measurements

The County categorizes its investments within the fair value hierarchy by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

COUNTY OF ERIE, PENNSYLVANIA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (CONTINUED)

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than purchased.

Inventories

Inventories are valued at cost using the first-in, first-out method (FIFO). The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Advance to Redevelopment Authority

In 2002, the County advanced the Erie County Redevelopment Authority (RDA) \$8 million to establish and operate a revolving loan fund to benefit the local business community (primarily manufacturing) in an effort to create, retain, and grow employment opportunities for the citizens of the County. Such funds are due back to the County upon dissolution of the RDA.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable government or business-type activities column in the government-wide and proprietary fund financial statements. The infrastructure assets located within the County are owned and maintained by various local municipalities that are located within the County. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Donated capital assets are recorded at acquisition value at the date of donation. Capital assets received in a service concession arrangement are reported at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects as constructed.

The capital assets of the County are depreciated using the straight-line method over the following estimated useful lives:

Improvements	15 Years
Buildings and improvements	30 Years
Machinery and equipment	5-10 Years
Motor vehicles	5 Years

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets and/or fund balances that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expenses/expenditure) until then. The County has the following items that qualify for reporting in this category:

Certain amounts determined in connection with pension and OPEB accounting requirements are reported as deferred outflows of resources on the government-wide financial statements and the proprietary fund statement of net position. These amounts are determined based on actuarial valuations performed for the plans. Note 6 presents additional information about the pension plans. Note 8 presents additional information about the OPEB plans.

In addition to liabilities, the statement of net position and/or the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets and/or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has the following items that qualify for reporting in this category:

Unavailable revenue is reported only on the balance sheet and represents property taxes which will not be collected within the available period. This amount will be recognized as an inflow of resources in the period the amounts become available.

Certain amounts determined in connection with pension and OPEB accounting requirements are reported as deferred inflows of resources on the government-wide financial statements and the proprietary fund statement of net position. These amounts are determined based on actuarial valuations performed for the plans. Note 6 presents additional information about the pension plans. Note 8 presents additional information about the OPEB plans.

Interfund Transactions

Interfund services provided and used are accounted for as revenues or expenditures/expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund as reductions of expenditures/expense in the fund that is reimbursed. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

COUNTY OF ERIE, PENNSYLVANIA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (CONTINUED)

Compensated Absences

All full-time employees accumulate one and one-fourth days of sick leave for each month of service. Sick leave may accumulate indefinitely. At retirement employees shall be compensated as follows:

	Unused Sick Days at Retirement	Percentage of Sick Days Bought Back
PSSU - Office of Children and Youth supervisors	0-100	14%
	101-200	15%
	201 and above	16%
ECAPE Union, County Detectives, and PSSU - Prison Workers	1-90	15%
(at retirement or at termination)	91-190	20%
	191 and above	25%

*AFSCME and Non-bargaining employee's voluntary retirement require 20 or more years of continuous service to be paid for accumulated unused sick days.

Sick days for non-bargaining employees involuntarily terminated without cause are paid at the rate of one day for every four days.

PSSU – Office of Children and Youth Case Workers

1. Sick days will be paid at the rate of one day for every eight sick days.

All full-time employees are credited for vacation time starting from their date of hire and earn annual vacation credits for each month in which they are in compensatory status of ten or more working days. Any employee who is laid off, discharged, retired or otherwise separated from employment is compensated in cash for any unused vacation days earned since the beginning of the year. On an annual basis, full-time employees are eligible to exchange up to one-half of their vacation days for a cash payment.

All sick pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation and retirement. All vacation pay is accrued when incurred in the governmental funds as it is considered measurable and is used during the following year.

PRM accrues vested vacation pay as it is earned. Vacation days will be taken only after they are accrued. Non-bargaining employees may not accumulate in excess of 120 hours as of June 30th unless approved by the Executive Director. Union employees may not accumulate in excess of 80 hours as of December 31.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Long-Term Obligations (Continued)

In the governmental fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued, as well as any premiums, are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Unearned Revenues

Unearned revenues are reported in government-wide financial statements and fund financial statements. The unearned revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting. Unearned revenues represent grant monies received but not yet earned.

Fund Balance

In the fund financial statements, governmental funds report fund balance in categories based on the level of constraint placed upon the funds. These levels are as follows:

Non-spendable – This category represents funds that are not spendable form and includes such items as prepaid expenditures.

Restricted – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending that are legally enforceable by outside parties. The County's restricted fund balances consist of external enabling legislation for the federal, state, or local government grants and debt agreements.

Committed – This category consists of amounts used for specific purposes imposed by formal action of the County's highest level of decision-making authority (the Council). The removal or modification of the use of committed funds can only be accomplished by formal action by the Council with the adoption of an ordinance prior to fiscal year-end.

Assigned – This category consists of amounts constrained by the County's intent to be used for specific purposes that are neither restricted nor committed. The County's policy is for the Director of Finance to assign amounts to be used for specific purposes before issuance of audited financial statements. After such fund assignment, the Finance Department will provide the Council with a full reporting of its actions within thirty days.

Unassigned – This category includes the residual classification for the County's General Fund and includes all spendable amounts not contained in other classifications. The General Fund is the only fund that reports a positive unassigned balance.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Net Position

Accounting standards require the classification of net position into these components – net investment in capital assets; restricted; and unrestricted. These classifications are defined below:

- Net Investment in Capital Assets – The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances if bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources is included in the same net position component (restricted or unrestricted) as the unspent amount.
- Restricted Net Position – The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the assets result from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets.
- Unrestricted Net Position – The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Accounting Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual amounts may differ from those estimates.

Leases Receivable

The County is a lessor for various noncancellable leases of property and equipment. The County recognizes a lease receivable and a deferred inflow of resources in the governmental funds.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Leases Receivable (Continued)

Key estimates and judgements include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lease.

Leases Payable

The County is a lessee for noncancellable leases of property and equipment. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities for leases that management determine to be material.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease asset is initially measured at the initial amount of the lease liability, adjusted for lease payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Adopted Pronouncements

The requirements of the following GASB Statements were adopted for the County's 2022 financial statements.

The County adopted the provisions of GASB Statement No. 87, "*Leases*". The adoption of this Statement resulted in the addition of right-to-use assets and lease liabilities which are now presented on the statement of net position, and lease receivables and deferred inflows of resources that are now presented on the governmental funds balance sheet.

The County adopted the provisions of GASB Statement No. 91, "*Conduit Debt Obligations*". The adoption of this Statement had no effect on the County's financial statements.

The County adopted the provisions of GASB Statement No. 93, "*Replacement of Interbank Offered Rates*". The adoption of this Statement had no effect on the County's financial statements.

The County adopted the provisions of GASB Statement No. 97, "*Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No 14 and No. 84, and a supersession of GASB Statement No. 32*". The adoption of this Statement had no effect on the County's financial statements.

Pending Pronouncements

In March 2020, the GASB issued Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*". The County is required to adopt Statement No. 94 for its 2023 financial statements.

In May 2020, the GASB issued statement No. 96 "Subscription-Based Information Technology Arrangements". The County is required to adopt Statement No. 96 for its fiscal year 2023 financial statements.

In April 2022, the GASB issued Statement No. 99, "*Omnibus 2022*". The County is required to adopt certain requirements of this statement for its fiscal year 2023 financial statements, and other requirements for its fiscal year 2024 financial statements.

In June 2022, the GASB issued Statement No. 100, "*Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*". The County is required to adopt Statement No. 100 for its fiscal year 2024 financial statements.

In June 2022, the GASB issued Statement No. 101, "*Compensated Absences*". The County is required to adopt Statement No, 101 for its fiscal year 2024 financial statements.

COUNTY OF ERIE, PENNSYLVANIA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (CONTINUED)

Discretely Presented Component Unit – Erie County Gaming Revenue Authority (Authority)

A. Reporting Entity

The Authority was established in February 2008. The Authority was formed pursuant to the provisions of the Economic Development Financing Law, the Pennsylvania Race Horse Development and Gaming Act, and the Home Rule Charter of the County. The purpose of the Authority is to administer municipal grants and otherwise perform the functions of the County's Economic Development Authority.

The Authority's Board consists of nine Board members. Two of the members are ex-officio, non-voting members, namely, the Chairman of the County Council, the County Executive and one resident from each of the seven districts within Erie County who shall be appointed by the County Executive with the consent of Council.

The Authority is dependent on gaming revenues generated from the Presque Isle Downs and Casino. These revenues are passed on to the Authority as restricted funds for economic development and municipal grants.

B. Basis of Accounting

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. The Authority is considered a special purpose government operating a single government program.

Discretely Presented Component Unit – Erie County Land Bank (Land Bank)

A. Reporting Entity

The Land Bank was formed on June 7, 2018. The purpose of the Land Bank is to acquire, hold, and transfer interest in real property throughout Erie County as approved by the Board of Directors for the following purposes: to deter the spread of blight; to promote redevelopment and reuse of vacant, abandoned, and tax-delinquent properties; to support targeted efforts to stabilize neighborhoods; to stimulate residential, commercial, and industrial development; all in ways that are consistent with goals and priorities established by Ordinance.

The Land Bank is dependent on gaming revenues generated from the Presque Isle Downs and Casino. These revenues are passed on to the Land Bank as restricted funds for economic development and municipal grants.

B. Basis of Accounting

All activities of the Land Bank are accounted for within a single fund. The Land Bank uses the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements present net increases and decreases in current assets (i.e. revenues and other financing sources and expenditures and other financial uses).

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Discretely Presented Component Unit – Erie County Community College (College)

A. Reporting Entity

Erie County Community College of Pennsylvania (College), established in 2020, offers associates degrees and technical skills certificate programs that provide education and training at an affordable price to residents of the County of Erie (County) and the surrounding area for available and emerging jobs that do not require a baccalaureate degree. In addition, the College provides the education many students need to succeed in a four-year program, as well as an affordable option for the first two years of college for those seeking a bachelor's degree. The College is a component unit in the governmental reporting entity of the County. The College is a legally separate organization for which the nature and significance of the relationship with the County is such that exclusion from the audited financials of the County would cause the financials of the County to be misleading or incomplete.

The College is operated by a nine-member Board of Trustees (Board), who are appointed by the County Council of the County. Board members can be reappointed to six-year terms and are limited to serving no more than two successive terms including any initially appointed term. The Board has decision-making responsibility to significantly influence operations and primary accountability for fiscal matters. The County also appropriates and disburses funds to the College that are utilized in the operation of the College.

Classes are offered at four locations across Erie, Pennsylvania. Primary revenue sources for the year ended June 30, 2022 are County and state appropriations. State appropriations are to fund allowable operating and capital costs based upon formulas set by the Pennsylvania Department of Education. The County, as local sponsor of the College, contributes to the operating and capital costs of the College. The College enrolled students for the inaugural class in July 2022.

B. Basis of Accounting

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. The College is considered a special purpose government engaged in business-type activities.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 2: DEPOSITS AND INVESTMENTS

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including U.S. Treasury bills, other short-term U.S. government obligations, short-term commercial paper issued by a public corporation, banker's acceptances, insured or collateralized time deposits, and certificates of deposit. The statutes allow pooling of governmental funds for investment purposes.

Deposits

As of December 31, 2022, the County's deposits, excluding the pension trust fund, custodial funds, and discretely presented component units, are as follows:

<u>Primary Government</u>	<u>Bank</u>	<u>Book</u>
Governmental activities:		
Unrestricted cash:		
Cash and cash equivalents	<u>\$150,193,747</u>	<u>\$ 141,121,878</u>
Business-type activities:		
Unrestricted cash:		
Cash and cash equivalents	2,649,736	2,329,449
Designated cash	<u>384,954</u>	<u>384,235</u>
Total business-type activities	<u>3,034,690</u>	<u>2,713,684</u>
Total primary government	<u><u>\$ 153,228,437</u></u>	<u><u>\$ 143,835,562</u></u>

Included in the governmental activities unrestricted cash is the County's investment in PA INVEST, an external investment pool, with a total deposit of \$8,235,039 as of December 31, 2022. The County's investment in PA INVEST is the same as the value of pool shares and is reported at amortized cost, which approximates market. All investments in an external investment pool that are not SEC-registered are subject to oversight by the Commonwealth. The County can withdraw funds from PA INVEST without limitations or fees.

Custodial Credit Risk – For a deposit, custodial risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a formal deposit policy for custodial credit risk. As of December 31, 2022, \$750,000 of the County's bank balance was insured by the Federal Deposit Insurance Corporation (FDIC). Of the remaining bank balance, \$137,751,431 is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by approved custodian in the institution's name, and the remaining balance is uncollateralized and uninsured. These deposits have carrying amounts of \$143,835,562 as of December 31, 2022.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

As of December 31, 2022, the County had the following investments:

Investment Type	Investment Maturities (in Years)				
	Book Value	Less than 1	1-5	6-10	More than 10
<u>Governmental activities</u>					
Debt Securities:					
U.S. Treasury Notes	\$ 852,595	\$ 495,353	\$ 357,242	\$ -	\$ -
Certificates of deposit	1,597,583	590,354	1,007,229	-	-
Total debt securities	2,450,178	1,085,707	1,364,471	-	-
Cash and cash equivalents	288,916				
Alternatives	49,670				
Equities	636,179				
Mutual funds - fixed income	73,603				
RCPSO stock	50,000				
Total	<u>\$ 3,548,546</u>				
<u>Business-type activities</u>					
U.S Treasury Notes	\$ 413,821	\$ -	\$ 413,821	\$ -	\$ -
Money markets	27,938				
	<u>\$ 441,759</u>				

U.S. Treasury Notes and municipal bonds with maturities of less than one year are valued using quoted market prices (level 1). U.S. Treasury Notes and municipal bonds with maturities of greater than one year are valued at fair value using various techniques, which may consider the reported sales of similar securities, market price quotations, and data (such as broker quotes, yields, bids, and relevance data) (Level 2). The County's investments in money markets and certificates of deposit are reported at amortized cost, which approximates market. The County's other investments are reported at cost and do not meet the criteria for reporting at fair value measurements within the fair value hierarchy established by GAAP.

Erie County Care Management, Inc. (Corporation) holds an investment in Class A voting common stock and Class B non-voting common stock of Rehabilitation and Community Providers Services Organization, Inc. (RCPSO), a private Pennsylvania business corporation. The Corporation's valuation in RCPSO as of December 31, 2022 is based on the Corporation's cost to purchase the investment totaling \$50,000 and is reported as other investments.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

Investment Risks

The following is a description of the County's investment risks:

Custodial Credit Risks – Custodial credit risk is the risk that in the event of the failure of the bank or counterparty, the County will not be able to recover the value of their deposits or investments or collateral securities that are in the possession of an outside entity. The County does not have a formal deposit or investment policy for custodial credit risk. As of December 31, 2022, the County's entire investment balance of \$3,990,305 (bank and book balance) was exposed to custodial credit risk. All of the County's investments, except those reported as other investments, were uninsured and held by the counterparty. The counterparty is a member of the Securities Investor Protection Corporation (SIPC), which provides insurance coverage for up to \$500,000 of the net equity balance, including up to \$250,000 in cash, in the event the counterparty fails, owing the County cash and securities that are missing from their accounts. This coverage does not extend to losses incurred due to fraud, misrepresentation, or investment decisions.

Concentration of Credit Risk – The County's investment policy for pooled and self-insurance funds is to invest in U.S. Government Federal agency securities for which there is no limit to the investment amount.

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy is to invest funds to meet its projected cash flow requirements. Investments of the General Fund, Special Revenue Funds, and the Self-Insurance Internal Service Fund are made at the discretion of the County finance department as long as such investments are made at financial institutions approved by the County finance department and are fully collateralized by securities with a fair value equal to or exceeding the cost of the investment. Investments must be made in accordance with the Commonwealth of Pennsylvania's Act 72 and the financial institution must be on the County finance department's approval list.

Credit Risk – The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk.

As of December 31, 2022, the County's investments in debt securities have received the following ratings from Standard & Poor's:

<u>Standard & Poor's Rating</u>	<u>Percentage of Total County Debt Securities</u>
AAA	76.80%
Other Rating	23.20%
	<u>100.00%</u>

Custodial Funds

The County maintains bank accounts for the elected row officers and other County offices that, at times, may exceed federally insured limits. However, such funds in excess of federally insured limits are collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. The balance of these accounts is reflected in the statement of fiduciary net position.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Funds (Continued)

As of December 31, 2022, the County had the following investments and maturities within the custodial funds:

Investment Type	Fair Value	Investment Maturities from December 31, 2022		
		Less than 1 year	1-5 years	6-10 years
U.S. Government Securities	\$ 1,894,572	\$ 221,609	\$ 999,609	\$ 673,354

The carrying value of the County's custodial fund investments is the same as their fair value amount. U.S. Government Securities within maturities of less than one year, mutual funds, and exchange traded funds are valued using quoted market prices (Level 1). U.S. Government Securities with maturities of greater than one year are valued using various techniques, which may consider the reported sales of similar securities, market price quotations, and date (such as broker quotes, yields, bids, and reference data (Level 2).

County Employees' Pension Trust Fund

The County Employees' Pension Trust Fund investments are held separately from those of other County funds. The County's retirement Plan Investment Policy (Retirement Investment Policy) states that emphasis shall be placed on providing adequate and timely investment cash flow to permit benefit payments from the Retirement Plan when due. Fixed income investment allocation is targeted to 40% (with an allowable range of +/- 7%) of the portfolio. The investments may be adjusted to meet economic and/or investment market conditions.

As of December 31, 2022, the County had the following cash, cash equivalents, and investments in its Pension Trust Fund:

Cash or Investment Type	Book Value	Investments Maturities from December 31, 2022			
		Less than 1 year	1-5 years	6-10 years	More than 10 years
U.S. Government Securities	\$ 30,572,874	\$ 4,479,926	\$ 4,855,362	\$ 3,562,204	\$ 17,675,382
Corporate debt obligations	16,503,832	496,169	6,054,712	4,187,319	5,765,632
Other fixed income	866,004	-	-	-	-
Total debt securities	\$ 47,942,710	\$ 4,976,095	\$ 10,910,074	\$ 7,749,523	\$ 23,441,014
Cash and cash equivalents	3,598,795				
Mutual funds - fixed income	28,053,185				
Mutual funds - equity	105,060,800				
Property trusts	29,454,521				
Private equity	25,290,784				
Exchange traded funds	5,474,208				
Domestic equities	40,357,125				
Total other investments	237,289,418				
Total Pension Trust Funds cash, cash equivalents, and investments reported on statement of fiduciary net position	\$ 285,232,128				

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

County Employees' Pension Trust Fund (Continued)

The Pension Trust Fund categorizes its investments within the fair value hierarchy established by generally accepted accounting principles. The Pension Trust Fund had the following recurring fair value measurements as of December 31, 2022:

Investments	Total	Fair Value Measurements		
		Level 1	Level 2	Level 3
Debt securities:				
U.S. Government Securities	\$ 30,572,874	\$ 30,572,874	\$ -	\$ -
Corporate debt obligations	16,503,832	16,455,883	47,949	-
Other fixed income	866,004	-	866,004	-
Total Debt Securities	47,942,710	47,028,757	913,953	-
Mutual funds - fixed income	28,053,185	28,053,185	-	-
Mutual funds - equity	105,060,800	105,060,800	-	-
Property trusts	17,156,385	-	-	17,156,385
Private equity	25,290,784	-	-	25,290,784
Exchange traded funds	5,474,208	5,474,208	-	-
Domestic Equities	40,357,125	40,357,125	-	-
Total Investments by Fair Value Level	269,335,197	\$ 225,974,075	\$ 913,953	\$ 42,447,169
Investments Measured at NAV:				
Property trust	12,298,136			
Total investments	\$ 281,633,333			

Debt securities, mutual funds, exchange traded funds, and common stock classified in Level 1 are valued using quoted prices in active markets for those securities. Debt securities classified in Level 2 are valued using various techniques, which may consider the reported sales of similar securities, market price quotations, and data (such as broker quotes, yields, bids, and reference data).

Level 3 investments include the following:

- Property trusts classified in Level 3 are valued based upon the County's share of the trust assets held. The underlying assets of the property trust are primarily invested in institutional quality real estate assets in major metropolitan markets across the United States. The property trust valuations of real estate are determined by the property trust trustee and given consideration to the income, cost, and sales comparison approaches of estimating property value.
- Private equity classified in Level 3 are valued based upon observations of the trading multiples of public companies considered comparable to the private companies being valued. Valuations are adjusted, as necessary, to account for company-specific issues, the lack of liquidity inherent in a nonpublic investment, and the fact that comparable public companies are not identical to the companies being valued, including the absence of a committed buyer and completion of due diligence similar to that performed in an actual negotiated sale process. In addition, a variety of other factors are review, including, but not limited to, financing and sales transactions with third parties, current operating performance and future expectations of the particular investment, changes in market outlook, and third-party financing environment.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

County Employees' Pension Trust Fund (Continued)

The Pension Trust Fund's investment in money markets (cash and cash equivalents) of \$3,598,795 is reported at amortized cost, which approximates market value.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) under the so-called "practical expedient" is presented in the following table:

<u>Instrument</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Property trust (1)	\$12,298,136	\$ -	Quarterly	60 days

- (1) *Property trust.* This investment type includes the Boyd Watterson GSA Fund, L.P. (Fund), a Delaware limited partnership that purchases real estate assets that are primarily leased to Federal Agencies. The investment strategy of the Fund is to generate a stable stream of investment grade current income while also preserving wealth using risk parameters and portfolio management strategies established by the General Partner. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Pension Trust Fund's ownership interest in partners' capital. The Fund shall distribute distributable cash (cash flow from operations and net proceeds from the sale or refinancing of an investment that the General Partner determines are available for distribution) to the partners quarterly. All distributions of distributable cash shall be distributed to the partners on a pro rata basis in proportion to the number of units held by them. Partial redemptions of the Fund are permitted in increments of \$250,000.

The preceding methods described may produce a fair value calculation that may not be indicative of net realized value or reflective of the future fair values. Furthermore, although the Pension Trust Fund believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following is a description of the County Employees' Pension Trust Fund's deposit and investment risks:

Custodial Credit Risk – Custodial credit risk is the risk that in the event of the failure of the bank or counterparty, the Pension Trust Fund will not be able to recover the value of its deposits or investments or collateral securities that are in the possession of an outside party. The Pension Trust Fund does not have a formal deposit or investment policy for custodial credit risk. As of December 31, 2022, the County's entire pension cash, cash equivalents, and investment balance of \$281,663,333 (bank and book balance) was exposed to custodial credit risk. All of the County's Pension Trust investments were uninsured and held by the counterparty. The counterparty is a member of the Securities Investor Protection Corporation (SIPC), which provides insurance coverage up to \$500,000 of the net equity balance, including up to \$250,000 in cash, in the event the counterparty fails, owing the County cash and securities that are missing from their accounts. This coverage does not extend to losses incurred due to fraud, misrepresentation, or investment decisions.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

County Employees' Pension Trust Fund (Continued)

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy is to invest funds to achieve a positive rate of return over the long term, sufficient to meet the Plan's actuarial interest rate and provide for the payment of benefit obligations and expenses in perpetuity in a secure and prudent fashion. In addition, the County's investment policy states that, for fixed income, the duration of the portfolio should be maintained at 65% to 140% of the index duration.

Credit Risk – The risk that an issuer or other counterparty to an investment will not fulfill its obligation is called credit risk. The County's Retirement investment policy average credit quality of fixed income portfolio must maintain a rating of AA- or better. Generally, the fixed income assets held by the Plan must be rated investment grade or better by Moody's or Standard and Poor's (Baa or BBB).

As of December 31, 2022, the County Employees' Pension Trust Fund's investments in debt securities have received the following ratings from Moody's:

<u>Moody's Rating</u>	<u>Percentage of Total Pension Trust Fund Debt Securities</u>
Aaa	34.50%
Aa2	0.25%
Aa3	1.37%
A1	2.28%
Other	61.60%
	<u>100.00%</u>

Concentration of Credit Risk – The County's Retirement Investment Policy limits fixed income assets in any one issuer, other than those in U.S. government guaranteed obligations and fully backed Federal Agency obligations, to no more than 5% of the total fixed income assets of the entire plan. The policy also states that no more than 5% of the total equity holdings of the entire plan shall be invested in the securities of any one domestic equity issuer and no more than 10% of the total foreign equity holdings of the entire plan shall be invested in the securities of any one issuer. No violations of these limits were noted.

Pleasant Ridge Manor Pension Trust Fund

The Pleasant Ridge Manor Pension Trust Fund investments are held separately from those of other County funds. The Pleasant Ridge Manor's retirement Plan Investment Policy (Retirement Investment Policy) states that emphasis shall be placed on providing adequate and timely investment cash flow to permit benefit payments from the Retirement Plan when due. Fixed income investment allocation is targeted at 40% (with an allowable range of +/- 10%) of the portfolio. The investments may be adjusted to meet economic and/or investment market conditions.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

Pleasant Ridge Manor Pension Trust Fund (Continued)

As of December 31, 2022, Pleasant Ridge Manor had the following cash, cash equivalents, and investments in its Pension Trust Fund:

Investment Type	Book Value	Investments Maturities from December 31, 2022			
		Less than 1 year	1-5 years	6-10 years	More than 10 years
U.S. Government Securities	\$ 6,678,815	\$ 1,489,074	\$ 4,076,086	\$ 1,113,655	\$ -
Corporate bonds	12,257,665	1,047,966	7,403,318	3,806,381	-
Total debt securities	\$ 18,936,480	\$ 2,537,040	\$ 11,479,404	\$ 4,920,036	\$ -
Cash and cash equivalents	1,037,172				
Mutual funds	43,342,527				
Total Pension Trust Funds cash, cash equivalents, and investments reported on statement of fiduciary net position	\$ 63,316,179				

The Pleasant Ridge Manor Pension Trust Fund categorizes its investments within the fair value hierarchy established by generally accepted accounting principles. The Pension Trust Fund had the following recurring fair value measurements as of December 31, 2022:

Investments	Total	Fair Value Measurements		
		Level 1	Level 2	Level 3
U.S. Government Securities	\$ 6,678,815	\$ 1,489,074	\$ 5,189,741	\$ -
Corporate debt obligations	12,257,665	1,047,966	11,209,699	-
Mutual funds	43,342,527	43,342,527	-	-
Total investments	\$ 62,279,007	\$ 45,879,567	\$ 16,399,440	\$ -

Debt securities, mutual funds, exchange traded funds, and common stock classified in Level 1 are valued using quoted prices in active markets for those securities. Debt securities classified in Level 2 are valued using various techniques, which may consider the reported sales of similar securities, market price quotations, and data (such as broker quotes, yields, bids, and reference data). Level 3 inputs are significant unobservable inputs.

The Pleasant Ridge Manor Pension Trust Fund's investment in money markets (cash and cash equivalents) of \$1,037,172 is reported at amortized cost, which approximates market value.

The following is a description of the Pleasant Ridge Manor Pension Trust Fund's deposit and investment risks:

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

Pleasant Ridge Manor Pension Trust Fund (Continued)

Custodial Credit Risk – Custodial credit risk is the risk that in the event of the failure of the bank or counterparty, the PRM Pension Trust Fund will not be able to recover the value of its deposits or investments or collateral securities that are in the possession of an outside party. The PRM Pension Trust Fund does not have a formal deposit or investment policy for custodial credit risk. As of December 31, 2022, PRM's entire pension cash, cash equivalents, and investment balance of \$63,316,179 (bank and book balance) was exposed to custodial credit risk. All of PRM Plan's Pension Trust investments were uninsured and held by the counterparty. The counterparty is a member of the Securities Investor Protection Corporation (SIPC), which provides insurance coverage up to \$500,000 of the net equity balance, including up to \$250,000 in cash, in the event the counterparty fails, owing PRM Pension Plan cash and securities that are missing from their accounts. This coverage does not extend to losses incurred due to fraud, misrepresentation, or investment decisions.

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy is to invest funds to achieve a positive rate of return over the long term, sufficient to meet the Plan's actuarial interest rate and provide for the payment of benefit obligations and expenses in perpetuity in a secure and prudent fashion. In addition, the County's investment policy states that, for fixed income, the duration of the portfolio should be maintained at 65% to 140% of the index duration.

Credit Risk – The risk that an issuer or other counterparty to an investment will not fulfill its obligation is called credit risk. The Pleasant Ridge Manor's Retirement investment policy average credit quality of fixed income portfolio must maintain a rating of AA- or better. Generally, the fixed income assets held by the Plan must be rated investment grade or better by Moody's Standard & Poor's (Baa or BBB).

As of December 31, 2022, the Pleasant Ridge Manor Pension Trust Fund's investments in debt securities have received the following ratings from Moody's:

<u>Moody's Rating</u>	<u>Percent of Investment Type</u>
AAA	3%
A1	10%
A2	17%
A3	12%
BAA1	16%
BAA2	6%
NR	1%
AAA	33%
AAA	2%
	<hr/>
	100%
	<hr/>

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

Pleasant Ridge Manor Pension Trust Fund (Continued)

Concentration of Credit Risk – The County's Retirement Investment Policy limits fixed income assets in any one issuer, other than those in U.S. government guaranteed obligations and fully backed Federal Agency obligations, to no more than 5% of the total fixed income assets of the entire plan. The policy also states that no more than 5% of the total equity holdings of the entire plan shall be invested in the securities of any one domestic equity issuer and no more than 10% of the total foreign equity holdings of the entire plan shall be invested in the securities of any one issuer. No violations of these limits were noted.

Erie County Gaming Revenue Authority (Authority) – Component Unit

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a policy for custodial credit risk. As of March 31, 2022, \$16,405,967 of the Authority's bank balance of \$16,655,467 was collateralized with securities held by the pledging financial institution and \$250,000 was covered by FDIC insurance. This deposit has a carrying amount of \$16,655,467 as of March 31, 2022.

Erie County Land Bank (Land Bank) – Component Unit

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the Land Bank's deposits may not be returned to it. The Land Bank does not have a policy for custodial credit risk. As of December 31, 2022, \$3,452,530 of the Authority's bank balance of \$3,702,530 was collateralized with securities held by the pledging financial institution and \$250,000 was covered by FDIC insurance. This deposit has a carrying amount of \$3,677,104 as of December 31, 2022.

Erie County Community College (College) – Component Unit

The carrying amount of the College's cash and cash equivalents was \$3,871,918 as of June 30, 2022. Of these balances, \$279,729 was covered by the FDIC, and the remaining balances were secured by pledged bank collateral under the pooled collateral agreement described in Pennsylvania Act 72. The College does not carry any bank balance over and above the insured and secured amounts.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 3: RECEIVABLES

Receivables as of December 31, 2022 for the government's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General Fund	Mental Health/ Intellectual Disabilities	Health Choices	Children and Youth
Taxes	\$ 8,841,056	\$ -	\$ -	\$ -
Federal and state grants	-	1,046,688	12,430,614	17,175,439
Leases	44,054	-	-	-
Interest and other	3,125,146	258,755	1,271,814	-
Gross receivables	12,010,256	1,305,443	13,702,428	17,175,439
Less: allowance for uncollectibles	(1,611,642)	-	-	-
	<u>\$ 10,398,614</u>	<u>\$ 1,305,443</u>	<u>\$ 13,702,428</u>	<u>\$ 17,175,439</u>
	ARPA	Drug and Alcohol	Other Non- Major Funds	Total
Taxes	\$ -	\$ -	\$ -	\$ 8,841,056
Federal and state grants	16,066	-	10,879,569	41,548,376
Leases	-	-	-	44,054
Interest and other	-	15,099,255	3,738,902	23,493,872
Gross receivables	16,066	15,099,255	14,618,471	73,927,358
Less: allowance for uncollectibles	-	-	-	(1,611,642)
	<u>\$ 16,066</u>	<u>\$ 15,099,255</u>	<u>\$ 14,618,471</u>	<u>\$ 72,315,716</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of December 31, 2022, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	Deferred Inflows	Unearned
Delinquent property taxes receivable	\$ 4,649,234	\$ -
Leases receivable	47,495	-
Other unavailable revenue	16,381,468	-
Grant advances prior to meeting all eligibility requirements	-	34,527,963
	<u>\$ 21,078,197</u>	<u>\$ 34,527,963</u>

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 4: REAL ESTATE TAXES

Property taxes are levied as of January 1 on property values assessed as of the same date. Property taxes are due as of March 1. A two percent discount is allowed if the taxes are paid before May 1 and a ten percent penalty is added to all payments made after June 30. Property is subject to lien and penalties and interest.

Real estate taxes for the calendar year are invoiced on March 1 of each year. Unpaid real estate taxes attach as an enforceable lien on property as of January 1 of the following year. The County bills these taxes which are collected by elected local tax collectors. The County collects delinquent real estate taxes on behalf of itself and other taxing authorities.

The County is permitted by the County Code of the Commonwealth of Pennsylvania to levy real estate taxes up to 25 mills on every dollar of adjusted valuation for general County purposes exclusive of the requirements for the payment of interest and principal on funded debt.

The County's 2022 real estate taxes are based on assessed values established by the County's Bureau of Assessments. Assessed values of real property are generally 100% of the market value as determined by the Erie County Bureau of Assessments. The total March 1, 2022 assessed real estate taxes equaled \$86,780,966 based on a total County valuation of \$14,642,601,886. Based on the 2022 levy of 5.96 mills allocated for general purposes a property owner would pay \$5.96 per \$1,000 of assessed valuation.

NOTE 5: CAPITAL ASSETS

Capital Asset activity for the year ended December 31, 2022 was as follows:

	December 31, 2021	Additions	Deletions	December 31, 2022
Capital assets, not depreciated:				
Land	\$ 1,501,237	\$ -	\$ -	\$ 1,501,237
Total capital assets, not depreciated	1,501,237	-	-	1,501,237
Capital assets, depreciated or amortized:				
Buildings and improvements	95,789,405	6,851	(17,554)	95,778,702
Vehicles	3,870,259	164,226	(258,316)	3,776,169
Furniture and equipment	26,977,251	15,025,544	(16,702,967)	25,299,828
Right of use equipment	75,998	60,564	-	136,562
Right of use building space	999,656	479,530	-	1,479,186
Total capital assets, depreciated or amortized	127,712,569	15,736,715	(16,978,837)	126,470,447
Less accumulated depreciation:				
Buildings and improvements	(75,364,384)	(2,431,440)	5,851	(77,789,973)
Vehicles	(2,706,338)	(353,698)	192,475	(2,867,561)
Furniture and equipment	(24,892,947)	(2,228,818)	16,303,625	(10,818,140)
Less accumulated amortization:				
Right of use equipment	-	(25,753)	-	(25,753)
Right of use building space	-	(260,966)	-	(260,966)
Total accumulated depreciation and amortization	(102,963,669)	(5,300,675)	16,501,951	(91,762,393)
Total capital assets, depreciated or amortized, net	24,748,900	10,436,040	(476,886)	34,708,054
Total capital assets, net	\$ 26,250,137	\$ 10,436,040	\$ (476,886)	\$ 36,209,291

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 5: CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense was charged to function/programs of the primary government as follows:

Government Activities:

General government	\$ 731,065
Courts and related offices	307,636
Corrections	1,191,975
Community service	2,347,401
Public health	57,809
Library	<u>664,789</u>

Total	<u><u>\$ 5,300,675</u></u>
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Business-Type Activities – Pleasant Ridge Manor (PRM)

	December 31, 2021	Additions	Deletions	December 31, 2022
Capital assets, not depreciated:				
Land	\$ 150,490	\$ -	\$ -	\$ 150,490
Capital assets, depreciated:				
Land improvements	1,856,414	4,024	-	1,860,438
Buildings and improvements	20,229,528	227,943	(6,407)	20,451,064
Furniture and equipment	<u>12,530,052</u>	<u>245,335</u>	<u>(113,178)</u>	<u>12,662,209</u>
Total capital assets, depreciated	<u>34,615,994</u>	<u>477,302</u>	<u>(119,585)</u>	<u>34,973,711</u>
Less accumulated depreciation:				
Land improvements	(883,324)	(120,359)	-	(1,003,683)
Buildings and improvements	(19,017,160)	(388,442)	6,407	(19,399,195)
Furniture and equipment	<u>(10,081,308)</u>	<u>(373,268)</u>	<u>113,178</u>	<u>(10,341,398)</u>
Total accumulated depreciation	<u>(29,981,792)</u>	<u>(882,069)</u>	<u>119,585</u>	<u>(30,744,276)</u>
Total capital assets, depreciated, net	<u>4,634,202</u>	<u>(404,767)</u>	<u>-</u>	<u>4,229,435</u>
Total capital assets, net	<u><u>\$ 4,784,692</u></u>	<u><u>\$(404,767)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,379,925</u></u>

Depreciation Expense was \$882,068 in 2022 for PRM.

COUNTY OF ERIE, PENNSYLVANIA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 6: PENSION PLAN

Governmental Activities

Summary of Significant Accounting Policies

Financial information of the Erie County Employees Retirement System (Plan) is presented on the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Employer contributions to the Plan are recognized when due as required by applicable law. Investments of the Plan are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. All administrative costs are paid from the Plan assets. The activity of the Plan is reported as the Pension Trust Fund in the accompanying financial statements. Separate plan financial statements are not available.

Plan Description

The Plan is a single-employer, defined-benefit plan. The Plan covers all full-time employees of the County and part time employees exceeding 1,000 hours per year. The Plan is governed by the County's Retirement Board (Board), which consists of five members. Three board members are appointed Council members, plus the Director of Finance, and the County Controller. The authority to establish and amend the benefit provisions of the Plan rests with the Board as designated in the Home Rule Charter and Act 96 of 1971 (Act), the County Pension Law. The Plan does not issue a stand-alone financial report. The financial activity is included as part of the Annual Comprehensive Financial Report of Erie County.

As of December 31, 2022, Plan membership consisted of the following:

Active plan members	1,175
Retirees and beneficiaries currently receiving benefits	941
Terminated plan members entitled to but not yet receiving benefits	<u>229</u>
Total plan members	<u><u>2,345</u></u>

Benefits Provided

Retirement Benefit – The Plan provides for normal retirement age 60 or at age 55 if the participant has completed 20 years of service. The amount of benefit at retirement shall equal 1.667% of the member's "Final Average Salary" compensation multiplied by years of credited service, plus an annuity based on the actuarial equivalent of the participant's accumulated contributions and credited interest. The "Final Average Salary" is defined as the average of the highest three years of compensation earned by the member.

Disability Retirement Benefit – A participant is entitled to a disability benefit after suffering total and permanent disability prior to retirement eligibility and after completion of five years of credited service. The disability benefit is equal to 25% of "Final Average Salary" at the time of retirement. Such disability benefit shall include the benefit that is actuarially equivalent to the member's accumulated contributions at retirement.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 6: PENSION PLAN (CONTINUED)

Governmental Activities (Continued)

Benefits Provided (Continued)

Death Benefit – The pre-retirement death benefit is payable if an active member dies after having attained age 60 or having completed ten years of credited service. The beneficiary will receive a lump sum equal to the actuarially determined present value of the benefits calculated based on the member's "Final Average Salary" and credited service at time of death plus the member's accumulated contributions with interest at time of death. The post-retirement death benefit is payable upon the death of a retired member. The beneficiary will receive survivor benefits, if any, in accordance with the form under which benefits were being paid to the member. In any event, the total amount of benefits paid to the deceased member and beneficiary must, at least, equal the member's accumulated contributions with interest.

Contributions

Plan members are required to contribute 5% of their annual covered salary. The County is required to contribute at an actuarially determined rate. Per the Act, as amended, contribution requirements of the Plan members and the County are established and may be amended by the General Assembly of the Commonwealth of Pennsylvania. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to be finance any unfunded accrued liability. For the year ended December 31, 2022, the Plan had contributions totaling \$11,589,095. This was comprised of member contributions of \$4,634,409 and County contributions of \$6,954,686.

Changes in the Net Pension Liability

The changes in the net pension liability of the County's governmental activities for the year ended December 31, 2022 were as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2021	\$ 327,739,967	\$ 332,693,028	\$ (4,953,061)
Changes for the year:			
Service cost	8,056,038	-	8,056,038
Interest	23,386,520	-	23,386,520
Differences between expected and actual experience	3,154,175	-	3,154,175
Changes in benefit terms	-	-	-
Contributions - employer	-	6,954,686	(6,954,686)
Contributions - employee	-	4,634,409	(4,634,409)
Net investment income	-	(36,572,252)	36,572,252
Benefit payments, including refunds	(21,812,220)	(21,812,220)	-
Administrative expense	-	(244,421)	244,421
Net changes	12,784,513	(47,039,798)	59,824,311
Balances at December 31, 2022	\$ 340,524,480	\$ 285,653,230	\$ 54,871,250
Plan fiduciary net position as a percentage of the total pension liability			83.89%

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 6: PENSION PLAN (CONTINUED)

Governmental Activities (Continued)

Actuarial Assumptions – The total pension liability was determined by an actuarial valuation performed as of December 31, 2022 using the following assumptions, applied to all periods in the measurement:

Actuarial assumptions:

Investment rate of return	7.25%
Projected salary increases	
2023 and after	3.00%
Underlying inflation rate	
Retirement age assumption	
Age 55	15.00%
Ages 56-59	3.00%
Ages 60-61	10.00%
Ages 62	25.00%
Ages 63-64	15.00%
Turnover table	T - 7
Inflation Rate	2.25%
Asset valuation method	Fair Market Value
Cost-of-living adjustment	None

Mortality rates were based on the RP-2000 Mortality Table for Males and Females, as appropriate, with adjustments to mortality improvements to the valuation date based on Scale AA.

Changes in Actuarial Assumptions – There were no changes in assumptions for the year ended December 31, 2022.

Investment Policy – The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board by a majority vote of its members. The Board has delegated the authority to manage Plan assets to Morrison Fiduciary Advisors, Inc. It is the policy of the Board to pursue an investment strategy that balances growth with the need to preserve the capital through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time-spans.

Long-term Expected Rate of Return – The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 6: PENSION PLAN (CONTINUED)

Governmental Activities (Continued)

The following were the asset allocation policy and best estimate of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity	37.00%	7.50%
International Equity	13.00%	8.50%
Domestic Bonds	34.00%	2.50%
Real Estate	8.00%	4.50%
Alternative Assets	8.00%	5.53%
	<u>100.00%</u>	

Rate of Return – The money-weighted rate of return express investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended December 31, 2022, the annual money-weighted rate of return for the Plan investments, net of investment expense, was -11.17%.

Discount Rate – The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at the actuarially determined contribution rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the Plan calculated using the discount rates described above, as well as what the Plan's net pension liability (assets) would be if was calculated using a discount rate that is one percentage-point lower or one-percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% increase (8.25%)
Plan's net pension liability (asset)	<u>\$85,715,255</u>	<u>\$ 54,871,250</u>	<u>\$ 28,713,342</u>

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 6: PENSION PLAN (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit

Summary of Significant Accounting Policies

Financial information of the PRM Pension Plan (PRM Plan) is presented on the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the PRM Plan. Employer contributions to the PRM Plan are recognized when due as required by applicable law. Investments of the PRM Plan are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. The pension plan issues a stand-alone financial report. The report can be obtained from the financial department of PRM.

Plan Description

The PRM Plan is a single-employer defined-benefit plan controlled by the provisions of a pension plan and trust agreement most recently adopted by the document restatement effective January 1, 2015. The PRM Plan is governed by the Retirement Committee as appointed by the PRM Board of Trustees which is responsible for the management of plan assets. The Retirement Committee has delegated the authority to manage certain plan assets to PNC Bank with investment oversight provided by Morrison Fiduciary Advisors.

As of December 31, 2022, PRM Plan membership consisted of the following:

Active employees	144
Active employees with frozen benefits	15
Retirees and beneficiaries currently receiving benefits	322
Terminated employees entitled to but not yet receiving benefits	<u>133</u>
Total plan members	<u><u>614</u></u>

Benefits Provided

Normal Retirement Benefit – A participant is entitled to begin receiving retirement benefits on the first of the month coincident with or next following attainment of age 55 with 20 years of Vesting Service or attainment of age 60, if later. The scheduled monthly retirement benefit is equal to 1.25% of the participant's "Final Average Compensation" multiplied by his years of "Credited Service" at his Normal Retirement Date, plus a monthly annuity based on the actuarial equivalent of the member's accumulated contributions with credited interest. The "Final Average Compensation" is defined as the average of the highest three consecutive years of compensation earned by the Participant. "Credited Service" is the number of years that the Participant worked at least 1,000 hours. Partial credit is given for the year in which the Participant joins the Plan as well as the year the Participant terminates employment.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 6: PENSION PLAN (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

Disability Retirement Benefit – A Participant is entitled to a disability benefit after suffering a Total and Permanent Disability prior to retirement eligibility and after completion of five years of vesting service. Disability Pension is a monthly pension equal to 25% of the 1/12 of Final Average Compensation at the time of retirement. Such total monthly pension shall include the monthly disability that is actuarially equivalent to the member's accumulated contributions at retirement.

Death Benefit – The Pre-Retirement Death Benefit is payable if a member dies after having attained age 60 or having completed ten years of credited service. The beneficiary will receive a lump sum equal to the actuarially determined present value of the benefits calculated based on the member's Final Average Compensation and credited service at time of death plus the member's accumulated contributions with interest at time of death. The Post-Retirement Death Benefit is payable upon the death of a terminated or retired member. The beneficiary will receive survivor benefits, if any, in accordance with the form under which benefits were being paid to the member. In any event, the total amount of benefits paid to the deceased member and beneficiary must at least equal the member's accumulated contributions with interest.

Cost-of-Living Adjustments – Benefit terms do not provide for annual cost-of-living adjustments to each member's retirement allowance subsequent to the member's retirement date.

Contributions

Plan members are required to contribute 6% of their annual covered salary. Pleasant Ridge Manor is required to contribute at an actuarially determined rate. The actuarially determined contribution is determined under the minimum funding requirements of ERISA and includes payment for the target normal cost and amortization payments toward the unfunded target liabilities of the Plan. For the year ended December 31, 2022, the Plan had deposits totally \$1,042,315. This was comprised of member contributions of \$678,315 and employer contributions of \$364,000.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 6: PENSION PLAN (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)Changes in the Net Pension Liability

The changes in the net pension liability (asset) of PRM for the year ended December 31, 2022 were as follows:

	Total Pension Liability (Asset)	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at December 31, 2021	\$ 65,170,787	\$ 77,939,703	\$ (12,768,916)
Changes for the year:			
Service cost	997,700	-	997,700
Interest	4,618,104		4,618,104
Differences between expected and actual experience	(389,568)		(389,568)
Contributions - employer	-	364,000	(364,000)
Contributions - employee	-	678,315	(678,315)
Net investment income		(10,828,737)	10,828,737
Benefit payments, including refunds	(4,560,913)	(4,560,913)	-
Administrative expense	-	(55,134)	55,134
Net changes	665,323	(14,402,469)	15,067,792
Balances at December 31, 2022	\$ 65,836,110	\$ 63,537,234	\$ 2,298,876
Plan fiduciary net position as a percentage of the total pension liability (asset)			96.51%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of December 31, 2022 using the following actuarial assumptions, applied to all periods in the measurement:

Actuarial cost method	Entry Age Normal
Amortization method	Recognition Period
Investment rate of return	7.25%
Salary increases	3.00%
Inflation rate	2.00%
Cost-of-living adjustments	None
Assumed retirement age	30% at age 60; 10% at age 61 20% at age 62; 10% at age 63 5% at age 64; 100% at age 65
Turnover table	T-5

Mortality rates were based on the 2018+ Static Mortality Table for Males and Females with mortality improvement rates, as published by the Internal Revenue Service.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 6: PENSION PLAN (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

Investment Policy – The PRM's Plan policies in regard to the allocation of invested assets is established and may be amended by the Retirement Committee by a majority vote of its members. It is the policy of the Retirement Committee to pursue an investment strategy that balances growth with the need to preserve capital through the prudent diversification of the portfolio across a broad selection of district asset classes. The PRM Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time-spans.

Long-Term Expected Rate of Return – The long-term expected rate of return on PRM Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The following were the asset allocation policy and best estimates of arithmetic real rates of return for each major asset class included in the PRM Plan's target asset allocation as of December 31 2022:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large cap core equity	40.00%	6.00%
Small cap core equity	10.00%	6.25%
International equity	10.00%	6.15%
Fixed income - core	40.00%	1.50%
Fixed income - HY/BL	0.00%	5.00%
Real estate	0.00%	6.50%
	<u>100.00%</u>	

Rate of Return – The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended December 31, 2022, the annual money-weighted rate of return on the PRM Plan investments, net of investment expense, was -14.22%.

Concentrations – There were no individual investments that constituted more than 5% of plan net position as of December 31, 2022.

Discount Rate – The discount rate used to measure the total pension liability for the PRM Plan was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate. Based on those assumptions, the PRM Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 6: PENSION PLAN (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the PRM Plan calculated using the discount rates described above, as well as what the Plan's net pension liability would be if it was calculated using a discount rate that is one-percentage lower or one-percentage higher than the current rate:

	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
PRM Net pension liability (asset)	<u>\$ 7,966,455</u>	<u>\$ 2,298,876</u>	<u>\$ (2,532,528)</u>

Net Pension Liability

The components of the County's net pension liability of the pension plans as of December 31, 2022 were as follows:

	<u>Erie County Employees Retirement System</u>	<u>PRM Pension Plan</u>	<u>Total</u>
Total pension liability	\$ 340,524,480	\$ 65,836,110	\$ 406,360,590
Plan fiduciary net position	<u>(285,653,230)</u>	<u>(63,537,234)</u>	<u>(349,190,464)</u>
Net pension liability	<u>\$ 54,871,250</u>	<u>\$ 2,298,876</u>	<u>\$ 57,170,126</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>83.89%</u>	<u>96.51%</u>	

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 6: PENSION PLAN (CONTINUED)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2022, the County recognized pension expense (income) of \$13,973,033 and \$211,299 related to its governmental and business-type activities, respectively. As of December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Erie County Employees' Pension Plan	PRM Pension Plan	Total
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 4,598,327	\$ 2,215	\$ 4,600,542
Changes in assumption	148,843	-	148,843
Net difference between projected and actual earnings on pension plan investments	28,177,999	7,078,449	35,256,448
Total deferred outflows of resources	<u>\$32,925,169</u>	<u>\$ 7,080,664</u>	<u>\$40,005,833</u>
	Erie County Employees' Pension Plan	PRM Pension Plan	Total
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 31,660	\$ 766,226	\$ 797,886
Net difference between projected and actual earnings on pension plan investments	-	-	-
Total deferred inflows of resources	<u>\$ 31,660</u>	<u>\$ 766,226</u>	<u>\$ 797,886</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending December 31,</u>	<u>Erie County Employees Retirement System</u>	<u>PRM Pension Plan</u>	<u>Total</u>
2023	\$ 3,029,964	\$ (693,299)	\$ 2,336,665
2024	7,859,989	1,370,807	9,230,796
2025	9,310,112	2,369,757	11,679,869
2026	12,693,444	3,267,173	15,960,617
	<u>\$ 32,893,509</u>	<u>\$ 6,314,438</u>	<u>\$ 39,207,947</u>

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 6: PENSION PLAN (CONTINUED)

Financial Statements

The following is the Statement of Fiduciary Net Position as of December 31, 2022 and the Statement of Changes in Fiduciary Net Position for the County Employees Retirement System for the year ended December 31, 2022:

	County Employees Pension Trust Fund
<u>Assets</u>	
Cash and cash equivalents	\$ 3,598,795
Investments:	
U.S. governmental obligations	30,572,874
Corporate debt obligations	16,503,832
Other fixed income	866,004
Mutual funds - fixed income	28,053,185
Mutual funds - equity	105,060,800
Property trusts	29,454,521
Private equity	25,290,784
Exchange traded funds	5,474,208
Domestic equities	40,357,125
	<hr/>
Total investments	281,633,333
	<hr/>
Receivables:	
Contribution receivable	40
Interest and other receivables	421,062
	<hr/>
Total receivables	421,102
	<hr/>
Total Assets	\$ 285,653,230
	<hr/>
<u>Net Position</u>	
Restricted for:	
Pension benefits	\$ 285,653,230
	<hr/>
Total Net Pension	\$ 285,653,230
	<hr/>

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 6: PENSION PLAN (CONTINUED)

Financial Statements (Continued)

	County Employees Pension Trust Fund
Additions:	
Contributions:	
Employee	\$ 4,634,409
Employer	6,954,686
	<u>11,589,095</u>
Investment income:	
Net appreciation in fair value of investments	(41,823,029)
Interest and dividends	5,792,805
	<u>(36,030,224)</u>
Total investment income	(36,030,224)
Less investment expense	542,028
	<u>(36,572,252)</u>
Net investment income	(36,572,252)
Total additions	<u>(24,983,157)</u>
Deductions:	
Pension benefits and refunds	21,812,220
Administrative expense	244,421
	<u>22,056,641</u>
Total deductions	22,056,641
Change in Net Position	(47,039,798)
Net Position, Beginning of year	332,693,028
Net Position, End of year	<u>\$ 285,653,230</u>

The financial statements for the Pleasant Ridge Manor Trust Fund are issued in a separate report and are available upon request.

COUNTY OF ERIE, PENNSYLVANIA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 7: DEFFERED COMPENSATION PLAN

Pleasant Ridge Manor (PRM)

In January of 2012, PRM established a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (deferred compensation plans with respect to service for State and Local Governments), which is considered a defined contribution pension plan. As part of its fiduciary role, PRM has an obligation of due care in selecting the third-party administrator. This deferred compensation plan covers all employees who were hired on or after January 1, 2012, all employees who elected not to participate or who were not eligible for the pension plan prior to January 1, 2012, and all non-bargained employees whose full completed years of service plus their attained age on their last birthday totaled less than 65 as of December 31, 2011. Employees may contribute an amount of their salary up to the IRS limitations and PRM will match 3% of the employees' contributions. For the year ended December 31, 2022, employees contributed \$184,494 to the deferred compensation plan and PRM contributed \$72,367. The total fair value on PRM's 457(b) plan as of December 31, 2022 is \$2,203,616.

Erie County Care Management, Inc. (Corporation)

The Corporation maintains a defined contribution retirement plan for substantially all employees. The employer contributions to the defined contribution retirement plan are reviewed and set annually by the Corporation. For 2022, the board of directors passed a one year 4% increase to the Corporation's contribution. In the future, the contribution percentage will revert to the original amount of 7.8% for employees hired prior to January 1, 2005 and 5% for employees hired after that date. Pension expense was \$751,119 for the year ended December 31, 2022.

The defined contribution retirement plan provides for voluntary contributions by participants subject to a maximum limitation as determined by IRS regulation on the 457 deferred compensation plans. Participant contributions are currently limited to the lesser of 100% of compensation or \$20,500.

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description

In addition to the pension benefits described in Note 6, the County provides post-employment health insurance benefits through a single employer defined benefit plan (OPEB Plan). The benefits are established in accordance with the requirements set forth by the Retirement Board of Erie County to all retired full-time employees employed before January 23, 1992. County Council can amend the OPEB plan at any time. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established. The OPEB Plan does not issue a separate report and activity of the OPEB Plan is reported in the County's Internal Service Fund.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

OPEB Plan Membership

As of December 31, 2022, the following employees were covered by the benefit terms:

Active Plan Members	28
Retirees and beneficiaries currently receiving benefits	713
Terminated Plan Members entitled to but not yet receiving benefits	<u>17</u>
Total	<u><u>758</u></u>

Contributions

The OPEB Plan is funded by the County on a “pay as you go” basis. Contributions are made to the OPEB Plan to pay claims as they happen. For the year ended December 31, 2022, the total contributions to the OPEB Plan were \$2,066,718.

Benefits Provided

The OPEB Plan provides healthcare coverage for qualified retirees. To be eligible for hospitalization insurance after leaving employment with the County, the participant must be an active retiree (eligible for and receiving a monthly pension check from the County). In addition, the participant must also meet one of the following age and service requirements: hired prior to January 23, 1992 and retiring with 20+ years of service and age 55+, hired prior to January 23, 1992 and retiring with 8+ years of service and age 60+, hired prior to January 23, 1992 and involuntary terminated (except for just cause/misconduct) with 8+ years prior service, or hired prior to January 23, 1992 and eligible for disability retirement.

Hospitalization coverage as a retiree will be equivalent (single or dependent coverage) to that held by the individual at the time of retirement. In addition, only dependents who were covered prior to retirement will be eligible for coverage under the retiree's plan (no new dependents may be added to the coverage after retirement). A spouse may be covered as a dependent until the death of the retiree; thereafter, they are eligible to continue their coverage by paying 100% of the monthly insurance premium.

Retirees currently pay a portion of the monthly premium. The County covers the balance of premiums not paid by the retiree.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

Changes in the OPEB Liability

	Total OPEB Liability
Balances at December 31, 2021	\$42,748,567
Changes for the year:	
Service cost	171,544
Interest	862,867
Difference between expected and actual experience	(6,243,144)
Changes in assumptions	(7,413,435)
Benefit payments	(2,066,718)
Net changes	(14,688,886)
Balances at December 31, 2022	<u>\$28,059,681</u>

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation performed on December 31, 2022 using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Actuarial cost method	Entry Age Normal	
Measurement Date	December 31, 2022	
Healthcare cost trend rates:	UPMC or Highmark PPO Blue	Freedom Blue
2023	8.0%	3.0%
2024	7.0%	3.0%
2025	6.0%	3.0%
2026 and after	5.0%	3.0%
Discount rate	4.31% based on the Bond Buyer 20-Bond GO Index	
Mortality rates	PubG - 2010 (B) mortality table	
Retirement age	Age 55	15.0%
	Age 56-59	3.0%
	Age 60-61	10.0%
	Age 62	25.0%
	Age 63-64	15.0%
	Age 65	100.0%

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

Change in Actuarial Assumptions

The discount rate was changed from 2.06% to 4.31% in the December 31, 2022 valuation. The discount rate was based on the Bond Buyer 20-Bond GO Index as of December 31, 2022.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following represents the total OPEB liability of the County, calculated using the discount rate at 4.31%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or one-percentage-point higher than the current discount rate:

	1% Decrease (3.31%)	Current Discount Rate (4.31%)	1% Increase (5.31%)
Total OPEB Liability	<u>\$31,001,608</u>	<u>\$ 28,059,681</u>	<u>\$25,562,505</u>

Sensitivity of the Total OPEB Liability to Change in the Healthcare Cost Trend Rate

The following represents the total OPEB liability of the County, calculated using the healthcare cost trend rate presented above, as well as what the County's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or one-percentage-point higher than the current discount rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	<u>\$25,474,841</u>	<u>\$ 28,059,681</u>	<u>\$31,064,704</u>

Pleasant Ridge Manor (PRM) – Blended Component Unit

Plan Description

PRM's defined benefit OPEB plan (PRM OPEB Plan) is a single-employer defined benefit plan that pays the cost of bridge health insurance coverage for retirees until age 65 when Medicare commences. To qualify for healthcare benefits under the plan, an employee must retire from active employment from PRM after attaining age 60 and completing at least 20 years of service. The PRM OPEB Plan is not accounted for as a trust fund, an irrevocable trust has not been established, the plan does not issue a separate report, and activity of the plan is reported in the County's business-type activities-enterprise funds.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

PRM OPEB Plan Membership

As of December 31, 2022, the following employees were covered by the benefit terms:

Active Plan Members	219
Retirees and beneficiaries currently receiving benefits	32
Terminated Plan Members entitled to but not yet receiving benefits	-
Total	<u>251</u>

Contributions

The PRM OPEB Plan is funded by PRM on a “pay as you go” basis. Contributions are made to the plan to pay claims as they happen. For the year ended December 31, 2022, the total contributions to the PRM OPEB Plan were \$421,746.

Benefits Provided

Qualified employees are provided with the single health coverage that is the same as that provided to active employees. The coverage continues to Medicare eligibility age. Retirees are required to fund a portion of their health benefit cost in an amount that equals 5% of the single COBRA coverage premium in their year of retirement.

Changes in the OPEB Liability

The changes in the OPEB Liability of PRM for the year ended December 31, 2022 were as follows:

	<u>Total OPEB Liability</u>
Balances at December 31, 2021	\$ 2,470,372
Changes for the year:	
Service cost	86,426
Interest	52,388
Differences between expected and actual experience	1,991,744
Changes in assumptions	(378,899)
Benefit payments	<u>(421,746)</u>
Net changes	<u>1,329,913</u>
Balances at December 31, 2022	<u>\$ 3,800,285</u>

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

Actuarial Assumptions

PRM's total OPEB liability was determined by an actuarial valuation performed on January 1, 2022 using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Actuarial cost method	Entry Age Normal
Healthcare cost trend rates	4.00%
Discount rate	4.31%
Turnover	T-5
Premium rate for bridge coverage	\$799.04
Retirement age	Assumed ages at retirement have been developed from actual historical experience as follows:
	Age 60 - 30% of eligible employees
	Age 61 - 10% of eligible employees
	Age 62 - 20% of eligible employees
	Age 63 - 10% of eligible employees
	Age 64 - 5% of eligible employees
	Age 65 or older - 100% of eligible employees
Mortality	Society of Actuaries Pri-2021 table and projected to the valuation date using mortality improvement scale MP-2021

Change in Actuarial Assumptions

For the January 1, 2023 actuarial valuation, the discount rate was changed from 2.25% to 4.31%. In addition, the mortality improvement scale was updated to MP-2021 to reflect the most recent tables as released by the Society of Actuaries.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total PRM OPEB liability, calculated using a discount rate of 4.31%, as well as what the total OPEB liabilities would be if they were calculated using a discount rate that is 1-percentage-point lower or one percentage-point higher than the current rate:

	1% Decrease 3.31	Current Discount Rate 4.31	1% Increase 5.31
Total OPEB Liability	<u>\$3,980,921</u>	<u>\$ 3,800,285</u>	<u>\$3,627,565</u>

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total PRM OPEB liability, calculated using the healthcare cost trend rate of 4.00%, as well as what the total OPEB liabilities would be if they were calculated using a healthcare cost trend rate that is 1-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	<u>\$3,560,154</u>	<u>\$ 3,800,285</u>	<u>\$4,071,559</u>

Total OPEB Liability – Primary Government

The components of the County's OPEB liability as of December 31, 2022 were as follows:

	Erie County OPEB Plan	PRM OPEB Plan	Total
Total OPEB liability	<u>\$ 28,059,681</u>	<u>\$ 3,800,285</u>	<u>\$ 31,859,966</u>

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEBs – Primary Government

For the year ended December 31, 2022, the County recognized OPEB expense/(income) of \$(12,622,168). and \$305,500 related to its governmental and business-type activities, respectively. As of December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Erie County OPEB Plan	PRM OPEB Plan	Total
<u>Deferred Outflow of Resources:</u>			
Differences between expected and actual experience	\$ -	\$ 1,912,149	\$ 1,912,149
Changes in assumption	-	236,134	236,134
	<u>\$ -</u>	<u>\$ 2,148,283</u>	<u>\$ 2,148,283</u>
	Erie County OPEB Plan	PRM OPEB Plan	Total
<u>Deferred Outflow of Resources:</u>			
Differences between expected and actual experience	\$ -	\$ 318,448	\$ 318,448
Changes in assumption	-	370,721	370,721
	<u>\$ -</u>	<u>\$ 689,169</u>	<u>\$ 689,169</u>

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

Year ending December 31,

2023	\$ 166,686
2024	166,686
2025	166,686
2026	166,686
2027	166,686
Thereafter	<u>625,684</u>
	<u>\$1,459,114</u>

NOTE 9: RISK MANAGEMENT

Claims and Assessment

The County is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. Settled claims from these risks have exceeded commercial insurance coverage for 2022.

Healthcare

The County maintains a self-insurance program for health and prescription drug coverage for eligible employees on cost-reimbursement basis. Employees contribute \$29.27 or \$81.12 per month depending on single or dependent coverage election.

A stop-loss insurance contract executed with an insurance carrier covers independent claims in excess of \$300,000 up to \$1,000,000 maximum per individual claim.

During the year ended December 31, 2022, total claims expenses and stop-loss insurance expenses were \$21,340,520. Claims expenses recorded as employee fringe expenditures represent claims processed as of December 31, 2022 and includes \$742,287 claims payable.

A liability for claims is required to be reported if information prior to the issuance of financial statements indicates that a liability had been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated. The claims liability is recorded in the Internal Service Fund medical claims payable. Changes in the claim liability are as follows:

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 9: RISK MANAGEMENT (CONTINUED)

Claims liability - beginning of year, January 1, 2021	\$ 1,261,957
Current year incurred claims	20,950,402
Claims payments	<u>(21,458,392)</u>
Claims liability - end of year, December 31, 2021	<u>\$ 753,967</u>
Claims liability - beginning of year, January 1, 2022	\$ 753,967
Current year incurred claims	21,340,520
Claims payments	<u>(21,352,200)</u>
Claims liability - end of year, December 31, 2022	<u>\$ 742,287</u>

Pleasant Ridge Manor (PRM)

PRM maintains a self-insurance program for workers' compensation coverage. The program charges premiums based on the amount determined by an administering insurance company. The premiums based on anticipated claims and estimated costs of administering the program by the insurance company. PRM has elected to retain a portion of the risk of loss from workers' compensation claims by reducing insurance coverage to obtain benefits of reduced premium costs. The insurance company serves as claims administer and reviews and processes claims. The Department of Labor and Industry requires a letter of credit in the amount of \$700,000. The total workers' compensation reserve payable totals \$74,107 as of December 31, 2022. The total cost of premiums incurred during 2022 amounted to \$145,062. PRM maintains an insurance policy that limits the maximum workers' compensation liability per occurrence to \$400,000.

Changes in the claim liability are as follows:

Workers' Compensation Reserve - January 1, 2021	\$ 58,752
Incurred claims and claim adjustments	96,383
Payments on claims and claim adjustment expenses	<u>(100,424)</u>
Workers' Compensation Reserve - December 31, 2021	<u>\$ 54,711</u>
Workers' Compensation Reserve - January 1, 2022	\$ 54,711
Incurred claims and claim adjustments	145,062
Payments on claims and claim adjustment expenses	<u>(125,666)</u>
Workers' Compensation Reserve - December 31, 2022	<u>\$ 74,107</u>

There have been no significant reductions in insurance coverage from coverage in the prior year and the amount of settlements have not exceeded insurance coverage for each of the past three years.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 9: RISK MANAGEMENT (CONTINUED)

Pleasant Ridge Manor (PRM) (Continued)

Pursuant to the employee benefit program, Pleasant Ridge Manor maintains a self-insurance program for prescription drugs. Under the Employee Prescription Plan, employees contribute a specified amount per prescription with the balance of the cost paid by PRM. PRM also maintains an insured health insurance program under which the ultimate premiums or contributions are based primarily on PRM's loss experiences. The plan includes certain stop loss provisions. The plan is operated on a calendar year. There is a co-pay that is collected from the employee with the balance of costs incurred by PRM.

A reconciliation of the change in medical health insurance claims payable is as follows:

Claims liability - beginning of year, January 1, 2021	\$ 530,156
Current year incurred claims	6,007,689
Claims payments	<u>(6,313,373)</u>
Claims liability - end of year, December 31, 2021	<u>\$ 224,472</u>
Claims liability - beginning of year, January 1, 2022	\$ 224,472
Current year incurred claims	5,398,513
Claims payments	<u>(5,354,934)</u>
Claims liability - end of year, December 31, 2022	<u>\$ 268,051</u>

Erie County Care Management, Inc. (Corporation)

The Corporation's self-insurance program pays dental and vision expenses for the Corporation's employees on a cost-reimbursement basis. Under the program, the Corporation is obligated to pay up to \$1,750 per person per plan year for dental claims and up to \$300 per individual and \$750 per family for vision claims. Beginning May 1, 2014, the Corporation also became self-insured for healthcare coverage. The corporation covers claims up to \$75,000 per person, per illness, with the excess being covered through a commercial insurance policy. The healthcare plan is administered through a contractual relationship with an unrelated company; however, the Corporation is solely responsible for all claims incurred up to the amount of the stop loss provisions.

Healthcare, dental, and vision costs are estimated based on known amounts of reported claims as of December 31, 2022. During the year ended December 31, 2022, the total claims expense was \$1,308,009. Claims expense represents claims payable. A liability for claims is required to be reported if information prior to the issuance of financial statements indicates that a liability had been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated. Changes in the claims liability are as follows:

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 9: RISK MANAGEMENT (CONTINUED)

Erie County Care Management, Inc. (Corporation) (Continued)

	Healthcare	Dental	Vision	Total
Claims liability, January 1, 2021	\$ (57,474)	\$ (992)	\$ (1,199)	\$ (59,665)
Current premiums	1,121,123	50,851	28,481	1,200,455
Claims payments and administration	(1,091,133)	(53,974)	(28,784)	(1,173,891)
Claims liability, December 31, 2021	<u>\$ (27,484)</u>	<u>\$ (4,115)</u>	<u>\$ (1,502)</u>	<u>\$ (33,101)</u>

	Healthcare	Dental	Vision	Total
Claims liability, January 1, 2022	\$ (27,484)	\$ (4,115)	\$ (1,502)	\$ (33,101)
Current premiums	1,224,966	58,419	31,850	1,315,235
Claims payments and administration	(1,217,003)	(59,311)	(31,695)	(1,308,009)
Claims liability, December 31, 2022	<u>\$ (19,521)</u>	<u>\$ (5,007)</u>	<u>\$ (1,347)</u>	<u>\$ (25,875)</u>

NOTE 10: LONG-TERM OBLIGATIONS

Long-term obligations outstanding as of December 31, 2022, consisted of the following:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General obligation bonds	\$30,735,000	\$ -	\$ (5,420,000)	\$ 25,315,000	\$5,690,000
Bond premium	2,964,957	-	(651,134)	2,313,823	-
Total bonds payable	33,699,957	-	(6,071,134)	27,628,823	5,690,000
Leases payable (Note 12)	1,075,654	540,094	(270,662)	1,345,086	349,198
Net pension liability (Note 6)	-	54,871,250	-	54,871,250	-
OPEB liability (Note 8)	42,748,567	-	(14,688,886)	28,059,681	-
Compensated absences	1,990,587	201,898	(386,372)	1,806,113	23,077
Total	<u>\$79,514,765</u>	<u>\$55,613,242</u>	<u>\$ (21,417,054)</u>	<u>\$ 113,710,953</u>	<u>\$6,062,275</u>

An analysis of debt service requirements to maturity on these obligations follows with the exception of compensated absences. Additionally, details of leases payable, the net pension liability, and the OPEB liability can be found in notes 12, 6, and 8, respectively.

General obligation bonds are direct obligations of the County. Principal and interest payments are backed by the full faith, credit and taxing power of the County. Compensated absences are liquidated by the general fund, mental health/intellectual disabilities fund, health choices, children and youth and certain other non-major funds.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 10: LONG-TERM OBLIGATIONS (CONTINUED)

<u>Year</u>	<u>Amount of Original Issue</u>		<u>Balance Outstanding December 31, 2022</u>	<u>Amounts Due Within One Year</u>
2005	\$ 40,815,000	<u>\$11,945,000 Series A</u>		
		The proceeds for the Series A were used to advance refund the County's General Obligation Bonds, Series B of 2003 maturing on and after September 1, 2014, with an interest rate of 3.25% to 5.0% and maturity date of September 1, 2023. The Series A bonds were issued at a premium of \$1,300,316.	\$ 1,970,000	\$ 1,970,000
2012	\$ 24,475,000	<u>\$8,655,000 Series A</u>		
		The proceeds were used by the County to refund a portion of the 2003 Bonds, on an advance refunding basis and to pay the cost of issuing the bonds, with a maturity date of September 1, 2023 and an interest rate of .65% to 3%.	10,000	10,000
		<u>\$4,940,000 Series B</u>		
		The proceeds were used by the County to refund a portion of the 2003 Bonds, on an advanced refunding basis and to pay the cost of issuing the bonds, with a maturity date of September 1, 2023 and an interest rate of .784% to 3.66%.	505,000	505,000
2015	\$ 17,380,000	The proceeds were used by the County to pay all costs related to engineering, design, bidding, and construction of capital projects and to pay the cost of issuing the bonds, with a maturity date of September 1, 2030 and an interest rate of 2% to 5%. The 2015 bonds were issued at a premium of \$2,136,354.	10,770,000	1,130,000
2017	\$ 20,220,000	The proceeds were used for the current refunding of the 2007 Series, with a maturity date of September 1, 2025 and an interest rate of 3% to 5%. The 2017 bonds were issued at a premium of \$3,483,595.	12,060,000	2,075,000
		Total general long-term debt obligations	<u>\$ 25,315,000</u>	<u>\$ 5,690,000</u>

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 10: LONG-TERM OBLIGATIONS (CONTINUED)

Annual debt service requirements of maturity for general obligation bonds are as follows:

Years Ending December 31,	Total Debt Service	
	Principal	Interest
2023	\$ 5,690,000	\$ 1,212,912
2024	6,055,000	925,456
2025	6,360,000	622,706
2026	1,310,000	304,706
2027	1,375,000	239,206
2028-2030	4,525,000	319,525
	<u>\$25,315,000</u>	<u>\$3,624,511</u>

NOTE 11: INTERFUND BALANCES

The County affects a variety of transactions between its funds. These transactions are performed in the normal course of transacting County business in order for certain funds to cover the expenses of the other funds until those funds receive available resources in order to repay the amount. In addition, certain funds may receive funds that are due to other funds and have not distributed the funds at year-end. The individual inter-fund receivable and payable balances at year-end are as listed below:

	Due From Other Funds	Due To Other Funds
Governmental fund types:		
Major funds:		
General	\$ 12,495,437	\$ 2,741,823
MH/D	3,000	152,702
Health Choices	12,606	41,804
Children and Youth	62,052	9,772,147
Drug and Alcohol	-	233,385
ARPA	1,332	-
Non-major Funds:		
Domestic Relations	-	901,090
Gaming	105,338	-
Public Health	-	2,753,114
Library Fund	1,082,435	342,978
Planning	16,390	274,722
Public Safety	-	215,271
Total governmental funds	<u>13,778,590</u>	<u>17,429,036</u>
Proprietary fund type:		
Internal Service Fund	<u>3,650,446</u>	<u>-</u>
Total proprietary funds	<u>3,650,446</u>	<u>-</u>
Total	<u>\$ 17,429,036</u>	<u>\$ 17,429,036</u>

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 11: INTERFUND BALANCES (CONTINUED)

The County affects a variety of transaction between its funds. Transfers occur if a certain fund is required to or is utilized to fund the operations of another. The majority of the transfers are from the General Fund in order to cover the operating expenses of other funds. A summary of transfers is as listed below:

	Transfers In	Transfers Out
Governmental fund types:		
Major funds:		
General	\$ 3,041,763	\$ 30,761,698
MH/D	1,116,418	-
Children and Youth	11,695,200	290,400
Drug and Alcohol	281,864	-
ARPA	-	-
Non-major Funds:		
Domestic Relations	1,535,540	284,754
Gaming	-	2,416,610
Public Health	2,351,162	-
Library	5,620,758	-
Planning	985,611	-
Public Safety	1,399,660	2,169,524
Debt Service	6,908,727	-
Total governmental funds	<u>34,936,703</u>	<u>35,922,986</u>
Proprietary fund type:		
Pleasant Ridge Manor	<u>986,283</u>	<u>-</u>
Total proprietary funds	<u>986,283</u>	<u>-</u>
Total	<u><u>\$ 35,922,986</u></u>	<u><u>\$ 35,922,986</u></u>

NOTE 12: LEASES

Leases Receivable

During 2015, The County began leasing a public safety radio system to a third party. The lease is for ten years, and the County will receive annual payments of \$5,813. During 2022, the County recognized \$4,940 in lease revenue and \$873 in interest revenue related to the lease. As of December 31, 2022, the County's receivable for lease payments was \$32,625. Also, the County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2022, the balance of the deferred inflow of resources was \$32,198.

During 2017, the County began leasing space on the roof one of their buildings to a third party for the installation and operation of communications equipment. The lease is for five years and the County will receive monthly payments of \$1,624. During 2022, the County recognized \$19,165 in lease revenue and \$481 in interest revenue related to the lease. As of December 31, 2022, the County's receivable for lease payments was \$11,429. Also, the County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2022, the balance of the deferred inflow of resources was \$15,297.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 12: LEASES (CONTINUED)

Leases Receivable (Continued)

Future lease payments on the above leases are as follows:

Year Ended December 31,	Principal	Interest	Total
2023	\$ 16,504	\$ 902	\$ 17,406
2024	5,215	598	5,813
2025	5,359	454	5,813
2026	5,506	307	5,813
2027	5,657	156	5,813
2028	5,813	608	6,421
	<u>\$ 44,054</u>	<u>\$ 3,025</u>	<u>\$ 47,079</u>

Leases Payable

The County has entered into various leases for office equipment. It can be expected as a normal business practice that leases such as these will continue to be required for operations. These leases have been entered into over the past several years as well as in 2022, and, currently, will last through 2027. As of December 31, 2022, the collective value of the lease liability for these leases was \$100,981, and the value of the related right-of-use asset, net of accumulated amortization, was \$110,809.

The County has entered into various leases for building space. It can be expected as a normal business practice that leases such as these will continue to be required for operations. These leases have been entered into over the past several years as well as in 2022, and, currently, will last through 2029. As of December 31, 2022, the collective value of the lease liability for these leases was \$1,244,105 and the value of the related right-of-use asset, net of accumulated amortization, was \$1,218,220.

Future lease payments on the above leases are as follows:

Year Ended December 31,	Principal	Interest	Total
2023	\$ 349,198	\$ 902	\$ 350,100
2024	359,070	598	359,668
2025	325,084	454	325,538
2026	82,340	307	82,647
2027	76,830	156	76,986
2028-2029	152,564	608	153,172
	<u>\$ 1,345,086</u>	<u>\$ 3,025</u>	<u>\$ 1,348,111</u>

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 13: LITIGATION

In the normal course of business, there are various claims and suits pending against the County and its elected officials. Management is of the opinion that these matters will not have a material adverse effect on the County's financial position as of December 31, 2022.

NOTE 14: IRREVOCABLE GIFT TO ERIE COMMUNITY FOUNDATION

Erie County Gaming Revenue Authority – Component Unit

The Authority has entered into an irrevocable gift agreement with the Erie Community Foundation (ECF). This fund is under the control of the ECF and subject to their policies and, as such, is not recorded on the books of the Authority. The market value of this fund as reported by the ECF as of March 31, 2022 was \$16.2 million. A donor-designated fund, called the Lean Asset Endowment Fund, was established to perpetually provide financial assistance to organizations designated by the settlement dated December 31, 2010 (Erie County Lead Regional Assets). During the year ended March 31, 2022, \$528,979 in distributions from this fund were awarded directly to Erie County Lead Assets.

NOTE 15: NOTES RECEIVABLE

Erie County Gaming Revenue Authority – Component Unit

As of March 31, 2022, the total notes receivable balance of \$7,688,846 is reported net of an allowance for uncollectible notes in the amount of \$1,540,000.

On September 13, 2012 and August 13, 2013, the Authority entered into loan agreements with the Enterprise Development Fund of Erie County, Inc. (Fund) for \$500,000 and \$800,000, respectively. The purpose of the loan was to provide loans to various entities in the Erie County area to create and retain jobs. In March 2018, the loans were restructured and combined into one loan agreement. The loan agreement requires interest only payments at a rate of 1% annum, until March 2028. The loan has an outstanding principal balance of \$1,300,000 as of March 31, 2022. The Authority was notified in 2016 that an entity related to the Fund, The Greater Erie Industrial Development Corporation (GEIDC), filed for Chapter 7 bankruptcy. The Authority has considered the uncertainty surrounding the ultimate collectability of the loans in its determination of the overall allowance for uncollectible notes. The Authority staff and Board will continue to monitor this dynamic situation to confirm ongoing viability of the Fund.

In September 2014, the Authority entered into a loan agreement with the Corry Industrial Benefit Association (CIBA) for \$50,000. The purpose of the loan was to provide loans to low income individuals for energy efficient improvements for their homes. Payments are due to the Authority when CIBA has issued a loan to an individual and CIBA receives principal payments. The loan has an outstanding principal balance of \$4,635 as of March 31, 2022.

In January 2016, the Authority entered into a loan agreement with Bridgeway Capital for \$1,000,000. The purpose of the loan was to create the Erie Growth Fund. The loan requires interest only quarterly payments at a rate of 3% per annum. The entire principal is due in January 2026. The loan has an outstanding principal balance of \$1,000,000 as of March 31, 2022.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 15: NOTES RECEIVABLE (CONTINUED)

Erie County Gaming Revenue Authority – Component Unit (Continued)

In April 2017, the Authority entered into a loan agreement with the Progress Fund for \$1,000,000. The purpose of the loan was to provide capital to rural businesses that create jobs and invest in Erie County. The loan requires interest only quarterly payments at a rate of 2% per annum. The entire principal is due January 2026. The loan has an outstanding principal balance of \$1,000,000 as of March 31, 2022.

In December 2017, the Authority entered into a loan agreement with 1855 Capital Fund for \$500,000. The purpose of the loan was to provide capital to technology-based businesses that create jobs and invest in Erie County. Minimum interest, as that term is defined in the loan agreement, is due to the Authority semiannually. Outstanding minimum interest, fixed interest, participating interest, and principal are due on the maturity date, as that term is defined in the loan agreement. The entire principal is due December 2027. The loan has an outstanding principal balance of \$500,000 as of March 31, 2022.

In September 2018, the Authority entered into a loan agreement with Bridgeway Capital for \$2,500,000. The purpose of the loan was to create the Erie Inclusive Fund. The loan requires interest-only quarterly payments at a rate of 1% per annum. The entire principal is due December 2028. The loan has an outstanding principal balance of \$2,500,000 as of March 31, 2022.

In January 2019, the Authority entered into a loan agreement with Blue Highway Capital for \$250,000. The purpose of the loan was to provide capital to rural businesses throughout Erie County. Minimum interest, as the term is defined in the loan agreement, is due to ECGRA semiannually. Outstanding minimum interest, fixed interest, participating interest, and principal are due on the maturity date, as that term is defined in the loan agreement. The entire principal is due in January of 2029, unless extensions are exercised. The loan has an outstanding principal balance of \$250,000 as of March 31, 2022.

In March 2020, the Authority entered into a loan agreement with Bridgeway Capital to develop two separate coronavirus COVID-19 emergency loan funds, one to provide loans to small businesses within Erie County that have demonstrated actual negative economic impact due to effects of coronavirus COVID-19 in the amount \$520,000, and one to provide loans to small Erie County nonprofit organizations for the purpose of providing the nonprofit organization with resources to aid in their mission based on local response to the pandemic in the amount of \$100,000. The loan bears zero interest. The entire outstanding balance is due in October of 2026, unless the forgiveness clause is exercised. The loan has an outstanding principal balance of \$620,000 as of March 31, 2022.

In August 2020, the Authority entered into a loan agreement with the Erie Center for Arts & Technology for \$500,000. The purpose of the loan was to rehabilitate the Wayne School building in support of workforce development, educational, and healthcare programming anchoring a distressed neighborhood. Outstanding Minimum Interest, Fixed Interest, Participating Interest, and Principal are due on the Maturity Date, as that term is defined by the loan agreement. The entire principal is due in August of 2027, unless extensions are exercised. The loan has an outstanding principal balance of \$500,000 as of March 31, 2022.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 15: NOTES RECEIVABLE (CONTINUED)

Erie County Gaming Revenue Authority – Component Unit (Continued)

In January 2022, the Authority entered into a loan agreement with Youth Leadership Institute of Erie for \$188,000. The purpose of the loan was to create the Community Enterprise Financing Loan as a funding stream to make mission-related investments within Erie County for the purpose of assisting established community-based entrepreneurs that do not have access to available bank financing to provide upfront and startup capital to fund startup costs related to the receipt of a grant or service contract to provide a community enriching program. The Authority has designed this program as a means for gap financing, as banks often require collateral to make lines of credit available, leaving small budget or undercapitalized organizations no alternatives but to use high-interest loans. This is a zero-percent interest rate loan with a maturity date of February 2023. The loan has an outstanding principal balance of \$124,080 as of March 31, 2022.

NOTE 16: GUARANTEED DEBT

The Council has the legal authority to extend debt guarantees to other organizations. As of December 31, 2022, the County had guaranteed the following debt of other organizations:

Description	Amount
2014 Erie County Convention Center Authority Aeries A and B Notes	\$31,301,000
2015 Erie County Convention Center Authority Bonds	<u>30,560,000</u>
	<u>\$61,861,000</u>

In February 2014, Council approved an ordinance guaranteeing of up to \$60,000,000 of the Convention Center Authority's combined issuance of bonds and/or notes. As of December 31, 2021, the Convention Center Authority has drawn down \$60,000,000 and repaid \$26,750,000 for a total outstanding amount of \$33,250,000. Such debt is guaranteed in full by the County extends through 2044.

On April 1, 2015, the Convention Center Authority issued Guaranteed Hotel Revenue Refunding Bonds, Series of 2015, in the amount of \$37,750,000. Such debt is guaranteed in full by the County and extends through 2036.

NOTE 17: CONTINGENCIES

The County receives significant financial assistance from governmental agencies in the form of contracts and grants. The disbursement of funds received under such programs generally requires compliance with terms and conditions specified in the contract or grant agreements and are subject to audit by grantor agencies. Any disallowed costs resulting from such audits could become a liability of the County. The amount of any expenditure that may be disallowed by the granting agencies cannot be determined at this time. The County's management expects such amounts, if any, to be immaterial.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 18: TAX ABATEMENTS AND OTHER TAX ARRANGEMENTS

The County's Local Economic Revitalization Tax Assistance (LERTA) tax abatement is authorized by County Council ordinance. Recipients are eligible for tax abatement for various reasons such as development costs, property location, or renovations that would otherwise result in increased property assessment. All LERTA tax abatements are based on the increase value of the improvement.

The County's Keystone Opportunity Zones (KOZ/KOEZ) abatement is authorized by the State. Upon approval from the State, credits are issued for the value of the land and improvements.

The following are the County's tax abatement programs:

- 3-year LERTA – available for residential properties, defined by Municipality.
- 3-year LERTA – available for commercial/industrial properties, defined by Municipality.
- 5-year LERTA – available for residential properties, defined by Municipality.
- 5-year Commercial LERTA – available for commercial/industrial properties, defined by Municipality.
- 10-year Residential LERTA – available for residential properties, defined by Municipality.
- 10-year Commercial LERTA – available for commercial/industrial properties defined by Municipality.
- 1-year KOZ/KOEZ – available as defined by the State within specified zones of County.

Tax abatements are recaptured by the County at the end of the abatement period (3, 5, or 10 years). There were no amounts received or receivable from other governments in association with the forgone taxes. The County did not make other commitments other than to reduce taxes as part of the tax abatement agreements.

During 2022, real estate tax abatements were as follows:

Abatements	Tax Dollars
LERTA Residential	\$ 120,283
LERTA Commercial	394,924
County Portion KOZ/KOEZ	11,322
Muni/School Portions	60,082

COUNTY OF ERIE, PENNSYLVANIA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2022, MARCH 31, 2022 OR JUNE 30, 2022

NOTE 18: TAX ABATEMENTS AND OTHER TAX ARRANGEMENTS (CONTINUED)

Other tax arrangements including the following:

- Payment in lieu of taxes (PILOT) – An agreement for payment in lieu of taxes between Taxing Bodies and non-profit organizations.
- Tax Increment Financing (TIF) – Real estate tax revenue is diverted to another entity to cover bond payments for debt used for redevelopment and other community improvement projects.

During 2022, other real estate tax arrangements as defined above resulted in the following forgone tax amounts:

<u>Other Arrangements</u>	<u>Tax Dollars</u>
PILOT	\$ 894,998
TIF	117,936

NOTE 19: COMMITMENTS

As of December 31, 2022, the County has approximately \$597,641 in commitments related to the next-generation public radio system.

NOTE 20: SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 30, 2023, the date in which the report was available to be issued.

NOTE 21: EXPENDITURES IN EXCESS OF APPROPRIATIONS

For the year ended December 31, 2022, the Health Choices Fund's total expenditures exceeded total appropriations by \$7,327,697. This amount was covered by actual revenues exceeding budgeted amounts by \$13,706,324.

REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION – PENSION PLAN
SCHEDULE OF CHANGES IN THE COUNTY'S NET
PENSION LIABILITY (ASSET) AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2022

	2022	2021	2020
Total Pension Liability:			
Service cost	\$ 8,056,038	\$ 7,804,984	\$ 7,512,030
Interest	23,386,520	22,074,897	21,109,196
Changes of benefit terms	-	7,415,564	619,444
Differences between expected and actual experience	3,154,175	1,150,489	2,769,838
Changes of assumptions	-	-	-
Benefit payments, including refunds of member contributions	(21,812,220)	(19,226,098)	(18,651,139)
Net Changes in Total Pension Liability	12,784,513	19,219,836	13,359,369
Total Pension Liability - Beginning	327,739,967	308,520,131	295,160,762
Total Pension Liability - Ending (a)	<u>\$ 340,524,480</u>	<u>\$ 327,739,967</u>	<u>\$ 308,520,131</u>
Plan Fiduciary Net Position:			
Contributions - employer	\$ 6,954,686	\$ 6,555,075	\$ 6,397,197
Contributions - employee	4,634,409	4,461,449	4,385,594
Net investment income	(36,572,252)	39,586,227	30,097,093
Benefit payments, including refunds of member contribution	(21,812,220)	(19,226,098)	(18,651,139)
Administrative expense	(244,421)	(246,519)	(214,955)
Net Change in Plan Fiduciary Net Position	(47,039,798)	31,130,134	22,013,790
Plan Fiduciary Net Position - Beginning	332,693,028	301,562,894	279,549,104
Plan Fiduciary Net Position - Ending (b)	<u>\$ 285,653,230</u>	<u>\$ 332,693,028</u>	<u>\$ 301,562,894</u>
Net Pension Liability - Ending (a-b)	<u>\$ 54,871,250</u>	<u>\$ (4,953,061)</u>	<u>\$ 6,957,237</u>
Plan fiduciary Net Position as a Percentage of the Total Pension Liability	<u>83.89%</u>	<u>101.51%</u>	<u>97.74%</u>
Covered Payroll	<u>\$ 55,843,943</u>	<u>\$ 56,533,860</u>	<u>\$ 57,557,509</u>
Net Pension Liability as a Percentage of Covered Payroll	98.26%	-8.76%	12.09%

See accompanying notes to schedules of required supplementary information – pension plan.

2019	2018	2017	2016	2015	2014	2013
\$ 6,870,210	\$ 6,450,127	\$ 6,116,659	\$ 5,827,529	\$ 5,610,339	\$ 5,570,895	\$ 5,408,532
20,322,780	19,965,634	19,077,990	18,271,311	17,586,986	17,079,993	16,313,427
-	-	351,251	-	-	-	-
1,356,816	(1,249,450)	563,296	1,248,285	(205,386)	(585,838)	573,565
-	5,873,578	2,233,873			(1,961,455)	
(17,552,197)	(16,931,705)	(15,859,511)	(14,375,724)	(13,606,612)	(13,029,168)	(11,362,994)
10,997,609	14,108,184	12,483,558	10,971,401	9,385,327	7,074,427	10,932,530
284,163,153	270,054,969	257,571,411	246,600,010	237,214,683	230,140,256	219,207,726
<u>\$ 295,160,762</u>	<u>\$ 284,163,153</u>	<u>\$ 270,054,969</u>	<u>\$ 257,571,411</u>	<u>\$ 246,600,010</u>	<u>\$ 237,214,683</u>	<u>\$ 230,140,256</u>
\$ 5,773,721	\$ 4,360,594	\$ 4,642,134	\$ 4,321,221	\$ 4,341,227	\$ 5,580,680	\$ 6,812,406
3,886,103	3,662,496	3,472,718	3,244,397	3,057,133	2,926,661	2,844,809
43,440,171	(14,388,036)	32,872,613	19,103,732	630,159	13,732,457	37,041,532
(17,552,796)	(16,931,705)	(15,859,511)	(14,375,724)	(13,606,612)	(13,029,168)	(11,362,994)
(218,488)	(188,498)	(197,630)	(197,018)	(197,913)	(196,249)	(182,111)
35,328,711	(23,485,149)	24,930,324	12,096,608	(5,776,006)	9,014,381	35,153,642
244,220,393	267,705,542	242,775,218	230,678,610	236,454,616	227,440,235	192,286,593
<u>\$ 279,549,104</u>	<u>\$ 244,220,393</u>	<u>\$ 267,705,542</u>	<u>\$ 242,775,218</u>	<u>\$ 230,678,610</u>	<u>\$ 236,454,616</u>	<u>\$ 227,440,235</u>
<u>\$ 15,611,658</u>	<u>\$ 39,942,760</u>	<u>\$ 2,349,427</u>	<u>\$ 14,796,193</u>	<u>\$ 15,921,400</u>	<u>\$ 760,067</u>	<u>\$ 2,700,021</u>
<u>94.71%</u>	<u>85.94%</u>	<u>99.13%</u>	<u>94.26%</u>	<u>93.54%</u>	<u>99.68%</u>	<u>98.83%</u>
<u>\$ 52,482,730</u>	<u>\$ 51,001,412</u>	<u>\$ 47,048,703</u>	<u>\$ 47,769,157</u>	<u>\$ 45,950,055</u>	<u>\$ 44,607,295</u>	<u>\$ 43,876,969</u>
29.75%	78.32%	4.99%	30.97%	34.65%	1.70%	6.15%

See accompanying notes to schedules of required supplementary information – pension plan.

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION – PENSION PLAN
SCHEDULE OF CHANGES IN THE COUNTY'S NET
PENSION LIABILITY (ASSET) AND RELATED RATIOS
BLENDED COMPONENT UNIT – PLEASANT RIDGE MANOR
FOR THE YEAR ENDED DECEMBER 31, 2022

	2022	2021	2020
Total Pension Liability:			
Service cost	\$ 997,700	\$ 1,141,799	\$ 1,137,451
Interest	4,618,104	4,666,269	4,484,001
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(389,568)	(2,148,480)	666,682
Changes of assumptions	-	-	-
Benefit payments, including refunds of member contributions	(4,560,913)	(3,729,440)	(3,836,365)
Net Changes in Total Pension Liability	665,323	(69,852)	2,451,769
Total Pension Liability - Beginning	65,170,787	65,240,639	62,788,870
Total Pension Liability - Ending (a)	<u>\$ 65,836,110</u>	<u>\$ 65,170,787</u>	<u>\$ 65,240,639</u>
Plan Fiduciary Net Position:			
Contributions - employer	\$ 364,000	\$ 770,000	\$ 1,100,000
Contributions - employee	678,315	778,062	803,146
Net investment income	(10,828,737)	9,517,172	9,354,391
Benefit payments, including refunds of member contribution	(4,560,913)	(3,729,440)	(3,836,365)
PBGC premium	-	-	-
Administrative expense	(55,134)	(49,359)	(37,735)
Net Change in Plan Fiduciary Net Position	(14,402,469)	7,286,435	7,383,437
Plan Fiduciary Net Position - Beginning	77,939,703	70,653,268	63,269,831
Plan Fiduciary Net Position - Ending (b)	<u>\$ 63,537,234</u>	<u>\$ 77,939,703</u>	<u>\$ 70,653,268</u>
Net Pension Liability - Ending (a-b)	<u>\$ 2,298,876</u>	<u>\$ (12,768,916)</u>	<u>\$ (5,412,629)</u>
Plan fiduciary Net Position as a Percentage of the Total Pension Liability	<u>96.51%</u>	<u>119.59%</u>	<u>108.30%</u>
Covered Payroll	<u>\$ 7,113,990</u>	<u>\$ 7,340,304</u>	<u>\$ 8,907,286</u>
Net Pension Liability as a Percentage of Covered Payroll	32.31%	-173.96%	-60.77%

See accompanying notes to schedules of required supplementary information – pension plan.

2019	2018	2017	2016	2015	2014	2013
\$ 1,099,486	\$ 1,111,850	\$ 1,112,988	\$ 1,177,908	\$ 1,201,800	\$ 1,316,038	\$ 1,302,375
4,364,806	4,414,264	4,066,669	3,959,824	3,871,884	3,746,192	3,835,535
-	-	-	-	-	-	-
(73,796)	(674,349)	(59,683)	(521,371)	(819,346)	(509,173)	(882,105)
-	2,682,119	-	-	(63,729)	-	1,919,159
(3,722,965)	(3,219,107)	(3,104,009)	(3,153,850)	(2,944,509)	(2,409,280)	(2,093,266)
1,667,531	4,314,777	2,015,965	1,462,511	1,246,100	2,143,777	4,081,698
61,121,339	56,806,562	54,790,597	53,328,086	52,081,986	49,938,209	45,856,511
<u>\$ 62,788,870</u>	<u>\$ 61,121,339</u>	<u>\$ 56,806,562</u>	<u>\$ 54,790,597</u>	<u>\$ 53,328,086</u>	<u>\$ 52,081,986</u>	<u>\$ 49,938,209</u>
\$ 1,200,000	\$ 1,800,000	\$ 1,672,253	\$ 1,150,000	\$ 2,100,000	\$ 2,042,130	\$ 2,400,000
760,579	789,123	783,645	812,288	815,148	878,217	900,694
10,657,727	(2,947,711)	7,250,802	4,372,780	210,618	2,676,236	7,636,064
(3,722,965)	(3,219,107)	(3,104,009)	(3,153,850)	(2,944,509)	(2,409,280)	(2,093,266)
-	(389,210)	(383,830)	(364,714)	(244,842)	(155,799)	(132,616)
(50,465)	(35,700)	(46,054)	(65,275)	(19,562)	(47,568)	(84,846)
8,844,876	(4,002,605)	6,172,807	2,751,229	(83,147)	2,983,936	8,626,030
54,424,955	58,427,560	52,254,753	49,503,524	49,586,671	46,602,735	37,976,705
<u>\$ 63,269,831</u>	<u>\$ 54,424,955</u>	<u>\$ 58,427,560</u>	<u>\$ 52,254,753</u>	<u>\$ 49,503,524</u>	<u>\$ 49,586,671</u>	<u>\$ 46,602,735</u>
<u>\$ (480,961)</u>	<u>\$ 6,696,384</u>	<u>\$ (1,620,998)</u>	<u>\$ 2,535,844</u>	<u>\$ 3,824,562</u>	<u>\$ 2,495,315</u>	<u>\$ 3,335,474</u>
<u>100.77%</u>	<u>89.04%</u>	<u>102.85%</u>	<u>95.37%</u>	<u>92.83%</u>	<u>95.21%</u>	<u>93.32%</u>
<u>\$ 8,309,214</u>	<u>\$ 8,554,316</u>	<u>\$ 9,059,764</u>	<u>\$ 9,207,151</u>	<u>\$ 9,899,308</u>	<u>\$ 10,554,003</u>	<u>\$ 10,602,888</u>
-5.79%	78.28%	-17.89%	27.54%	38.63%	23.64%	31.46%

See accompanying notes to schedules of required supplementary information – pension plan.

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION – PENSION PLAN
SCHEDULE OF COUNTY CONTRIBUTIONS AND INVESTMENT RETURNS
YEAR ENDED DECEMBER 31, 2022

County:

	2022	2021	2020
Schedule of County Contributions			
Actuarially determined contribution	\$ 6,954,686	\$ 6,555,075	\$ 6,397,197
Contributions in relation to the actuarially determined contribution	6,954,686	6,555,075	6,397,197
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 55,843,943</u>	<u>\$ 56,533,860</u>	<u>\$ 57,557,509</u>
Contributions as a percentage of covered payroll	12.45%	11.59%	11.11%

Investment Returns

Annual money-weighted rate of return, net of investment expense	-11.17%	13.31%	10.92%
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Blended Component Unit - Pleasant Ridge Manor:

	2022	2021	2020
Schedule of PRM Contributions			
Actuarially determined contribution	\$ 319,385	\$ 736,097	\$ 897,435
Contributions in relation to the actuarially determined contribution	364,000	770,000	1,100,000
Contribution deficiency (excess)	<u>\$ (44,615)</u>	<u>\$ (33,903)</u>	<u>\$ (202,565)</u>
Covered Payroll	<u>\$ 7,113,990</u>	<u>\$ 7,340,304</u>	<u>\$ 8,907,286</u>
Contribution as a percentage of covered payroll	5.12%	10.49%	12.35%

Investment Returns

Annual money-weighted rate of return, net of investment expense	-14.22%	13.69%	15.02%
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2019	2018	2017	2016	2015	2014	2013
\$ 5,773,721	\$ 4,360,594	\$ 4,642,134	\$ 4,321,221	\$ 4,341,227	\$ 5,580,680	\$ 6,812,406
<u>5,773,721</u>	<u>4,360,594</u>	<u>4,642,134</u>	<u>4,321,221</u>	<u>4,341,227</u>	<u>5,580,680</u>	<u>6,812,406</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 52,482,730</u>	<u>\$ 51,001,412</u>	<u>\$ 47,048,703</u>	<u>\$ 47,769,157</u>	<u>\$ 45,950,055</u>	<u>\$ 44,607,295</u>	<u>\$ 43,876,969</u>
11.00%	8.55%	9.87%	9.05%	9.45%	12.51%	15.53%

18.09%	-5.47%	13.77%	8.41%	0.27%	6.10%	19.36%
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2019	2018	2017	2016	2015	2014	2013
\$ 1,035,298	\$ 880,591	\$ 1,661,327	\$ 1,145,083	\$ 1,764,290	\$ 2,046,479	\$ 2,398,123
<u>1,200,000</u>	<u>1,800,000</u>	<u>1,672,253</u>	<u>1,150,000</u>	<u>2,100,000</u>	<u>2,042,130</u>	<u>2,400,000</u>
<u>\$ (164,702)</u>	<u>\$ (919,409)</u>	<u>\$ (10,926)</u>	<u>\$ (4,917)</u>	<u>\$ (335,710)</u>	<u>\$ 4,349</u>	<u>\$ (1,877)</u>
<u>\$ 8,309,214</u>	<u>\$ 8,554,316</u>	<u>\$ 9,059,764</u>	<u>\$ 9,207,151</u>	<u>\$ 9,899,308</u>	<u>\$ 10,554,003</u>	<u>\$ 10,602,888</u>
14.44%	21.04%	18.46%	12.49%	21.21%	19.35%	22.64%
19.91%	-5.06%	14.03%	8.98%	0.48%	5.72%	19.85%

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION – PENSION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2022

County:

Actuarial Methods and Assumptions Used in Determining the Contribution Rate

Actuarial valuation date	December 31, 2022
Asset valuation method	Fair Market Value
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases	2023 and after - 3%
Underlying inflation rate	2.25%
Cost-of-living adjustments	None
Mortality table	RP-2000

Benefit Changes

There have been no changes in the Plan benefits since the date of the last report.

Change in Actuarial Assumptions

There have been no changes in actuarial assumptions since the date of the last report.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION – PENSION PLAN (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

Blended Component Unit – Pleasant Ridge Manor:

Actuarial Methods and Assumptions Used in Determining the Contribution Rate

Actuarial valuation date	December 31, 2022
Actuarial cost method	Entry Age Normal
Amortization method	Recognition Period
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases	3.00%
Underlying inflation rate	2.00%
Retirement age	Age 60 or 55 with 20 years of service
Mortality Table	2018+ Static Mortality Table for males and females, as published by the Internal Revenue Service

Benefit Change

There were no changes in benefits since the date of the last report.

Change in Actuarial Assumptions

There were no changes in actuarial assumptions since the date of the last report.

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFITS PLAN (OPEB)
SCHEDULE OF CHANGES IN THE COUNTY'S
OPEB LIABILITY AND RELATED RATIOS*
YEAR ENDED DECEMBER 31, 2022

	2022	2021	2020	2019	2018
Total OPEB Liability:					
Service cost	\$ 171,544	\$ 168,386	\$ 219,877	\$ 151,243	\$ 189,670
Interest	862,867	903,953	1,251,336	1,605,854	2,042,799
Differences between expected and actual experience	(6,243,144)	-	(5,072,344)	-	(9,840,455)
Changes in assumptions	(7,413,435)	312,744	3,073,261	6,282,000	-
Benefit payments	(2,066,718)	(2,214,827)	(2,354,113)	(3,147,842)	(3,406,564)
Net Changes in Total OPEB Liability	(14,688,886)	(829,744)	(2,881,983)	4,891,255	(11,014,550)
Total OPEB Liability - Beginning	42,748,567	43,578,311	46,460,294	41,569,039	52,583,589
Total OPEB Liability - Ending	<u>\$28,059,681</u>	<u>\$42,748,567</u>	<u>\$43,578,311</u>	<u>\$46,460,294</u>	<u>\$41,569,039</u>
Covered Employee Payroll	<u>\$ 1,897,380</u>	<u>\$ 3,613,253</u>	<u>\$ 3,867,759</u>	<u>\$ 4,712,847</u>	<u>\$ 4,988,547</u>
OPEB Liability as a Percentage of Covered Employee Payroll	1478.86%	1183.10%	1126.71%	985.82%	833.29%

*The amounts presented for each year were determined as of the year end date. This schedule is intended to illustrate information for 10 years. However, until a full 10-year trend is compiled, the County is presenting information only for the years for which information is available.

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
 OTHER POST-EMPLOYMENT BENEFITS PLAN (OPEB)
 SCHEDULE OF CHANGES IN THE COUNTY'S
 OPEB LIABILITY AND RELATED RATIOS*
 BLENDED COMPONENT UNIT – PLEASANT RIDGE MANOR
 FOR THE YEAR ENDED DECEMBER 31, 2022

	2022	2021	2020	2019	2018
Total OPEB Liability:					
Service cost	\$ 86,426	\$ 92,723	\$ 89,456	\$ 91,218	\$ 94,281
Interest	52,388	46,936	76,344	92,176	101,242
Differences between expected and actual experience	1,991,744	160,108	(87,526)	(297,981)	(130,375)
Changes in assumptions	(378,899)	(39,118)	231,516	63,982	61,954
Benefit payments	(421,746)	(282,505)	(152,614)	(120,917)	(124,988)
Net Changes in Total OPEB Liability	1,329,913	(21,856)	157,176	(171,522)	2,114
Total OPEB Liability - Beginning	2,470,372	2,492,228	2,335,052	2,506,574	2,504,460
Total OPEB Liability - Ending	<u>\$ 3,800,285</u>	<u>\$ 2,470,372</u>	<u>\$ 2,492,228</u>	<u>\$ 2,335,052</u>	<u>\$ 2,506,574</u>
Covered Employee Payroll	<u>\$ 9,785,124</u>	<u>\$ 11,296,571</u>	<u>\$ 13,334,031</u>	<u>\$ 12,259,199</u>	<u>\$ 12,413,990</u>
OPEB Liability as a Percentage of Covered Employee Payroll	38.84%	21.87%	18.69%	19.05%	20.19%

*The amounts presented for each year were determined as of the year end date. This schedule is intended to illustrate information for 10 years. However, until a full 10-year trend is compiled, the County is presenting information only for the years for which information is available.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2022

County:

The County has no assets accumulated in a trust that meets the criteria defined in paragraph 4 of GASB Statement No. 75 to pay related other post-employment benefits.

Actuarial Methods and Assumptions Used

The information presented in the required supplementary post-employment benefits other than pension benefits (OPEB) schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Actuarial cost method	Entry Age Normal	
Measurement Date	December 31, 2022	
Healthcare cost trend rates:	UPMC or Highmark <u>PPO Blue</u>	Highmark <u>Freedom Blue</u>
2023	8.0%	3.0%
2024	7.0%	3.0%
2025	6.0%	3.0%
2026 and after	5.0%	3.0%
Discount rate	4.31% based on the Bond Buyer 20-Bond GO Index	
Mortality rates	PubG-2010(B) mortality table	
Retirement age	Age 55	15%
	Age 56-59	3%
	Age 60-61	10%
	Age 62	25%
	Age 63-64	15%
	Age 65	100%

Changes in Actuarial Assumptions

- The discount rate was changed from 2.12% to 4.31%.

Changes in Benefits

- There were no changes in benefits for the December 31, 2022 valuation.

COUNTY OF ERIE, PENNSYLVANIA
 NOTES TO SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2022

Blended Component Unit – Pleasant Ridge Manor:

PRM has no assets accumulated in a trust that meets the criteria as defined in paragraph 4 of GASB statement No. 75 to pay related other post-employment benefits.

Actuarial Methods and Assumptions Used

The information presented in the required supplementary post-employment benefits other than pension benefits (OPEB) schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Actuarial valuation date	December 31, 2022
Actuarial cost method	Entry Age Normal
Healthcare cost trend rates	4.00%
Discount rate	4.31%
Turnover	T-5
Retirement age	Assumed ages at retirement have been developed from actual historical experience

Changes in Actuarial Assumptions

- Discount rate was updated from 2.25% to 4.31%.

Changes in Benefits

- There were no changes in benefits for the January 1, 2022 valuation.

COUNTY OF ERIE, PENNSYLVANIA
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS

General Fund

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. Revenues of this fund are primarily derived from real estate taxes, Commonwealth and federal grants, and fees for services. Many of the basic activities of the County are accounted for in this fund, including operation of general County government, the court system, and corrections.

Mental Health/Intellectual Disabilities Fund

This fund administers local agency providers of mental health and intellectual disabilities services. The fund also administers various programs for transportation, adult services, and in-home health.

Health Choices Fund

This fund accounts for the medical assistance funding for mental health, drug and alcohol, and children services programs.

Children and Youth Fund

This fund accounts for the child protective services, a juvenile detention center, and a juvenile detention shelter.

ARPA Fund

This fund accounts for funds received and expended related to the American Rescue Plan Act of 2021.

Drug and Alcohol

Commonwealth funds are passed through local agency providers for identification and treatment programs.

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE – BUDGET TO ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Real estate taxes	\$ 86,828,734	\$ 86,828,734	\$ 87,552,128	\$ 723,394
Hotel tax	4,727,860	4,727,860	6,158,284	1,430,424
Federal, state, and municipal grants	3,127,312	5,178,019	3,780,401	(1,397,618)
Charges for services	15,940,200	16,173,005	11,634,034	(4,538,971)
Interest income	194,500	194,500	801,928	607,428
Other income	89,486	108,847	95,881	(12,966)
Total revenues	110,908,092	113,210,965	110,022,656	(3,188,309)
Expenditures:				
Current:				
General government	25,818,725	27,777,202	22,069,910	5,707,292
Courts and related offices	23,639,426	25,228,674	22,188,210	3,040,464
Corrections	30,412,149	31,469,468	31,306,370	163,098
Community services	2,966,677	3,266,677	2,880,866	385,811
Capital outlay	-	801,546	1,043,168	(241,622)
Lease principal and interest	-	-	298,753	(298,753)
Total expenditures	82,836,977	88,543,567	79,787,277	8,756,290
Excess (Deficiency) of Revenue Over (Under) Expenditures	28,071,115	24,667,398	30,235,379	5,567,981
Other Financing Sources (Uses):				
Lease financing	-	-	540,094	540,094
Transfers in	-	331,032	3,041,763	2,710,731
Transfers out	(32,632,492)	(32,867,198)	(30,761,698)	2,105,500
Total other financing sources (uses)	(32,632,492)	(32,536,166)	(27,179,841)	5,356,325
Net Change in Fund Balance	(4,561,377)	(7,868,768)	3,055,538	10,924,306
Fund Balance:				
Beginning of year	59,560,692	59,560,692	61,378,375	1,817,683
End of year	\$ 54,999,315	\$ 51,691,924	\$ 64,433,913	\$ 12,741,989

See accompanying notes to schedules of required supplementary information.

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE – BUDGET TO ACTUAL
 MENTAL HEALTH/INTELLECUTAL DISABILITIES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal, state, and municipal grants	\$ 28,859,171	\$ 57,832,039	\$ 42,875,027	\$ (14,957,012)
Interest income	82,000	82,000	130,369	48,369
Other income	21,000	21,000	28,152	7,152
Total revenues	28,962,171	57,935,039	43,033,548	(14,901,491)
Expenditures:				
Current:				
Community services	34,712,234	47,701,856	44,149,966	3,551,890
Capital outlay	15,000	15,000	-	15,000
Total expenditures	34,727,234	47,716,856	44,149,966	3,566,890
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,765,063)	10,218,183	(1,116,418)	(11,334,601)
Other Financing Sources (Uses):				
Transfers in	1,140,118	1,190,118	1,116,418	(73,700)
Net Change in Fund Balance	(4,624,945)	11,408,301	-	(11,408,301)
Fund Balance:				
Beginning of year	-	-	-	-
End of year	\$ (4,624,945)	\$ 11,408,301	\$ -	\$ (11,408,301)

See accompanying notes to schedules of required supplementary information.

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE – BUDGET TO ACTUAL
 CHILDREN AND YOUTH FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal, state, and municipal grants	\$ 47,004,281	\$ 47,457,012	\$ 53,761,541	\$ 6,304,529
Charges for services	884,697	884,697	601,714	(282,983)
Interest income	1,600	1,600	1,550	(50)
Other income	50	50	-	(50)
Total revenues	47,890,628	48,343,359	54,364,805	6,021,446
Expenditures:				
Current:				
Corrections	10,349,012	10,980,356	10,644,594	335,762
Community services	55,420,593	56,636,269	54,997,411	1,638,858
Capital outlay	127,600	127,600	127,600	-
Total expenditures	65,897,205	67,744,225	65,769,605	1,974,620
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,006,577)	(19,400,866)	(11,404,800)	7,996,066
Other Financing Sources (Uses):				
Transfers in	12,409,407	12,409,407	11,695,200	(714,207)
Transfers out	(290,400)	(290,400)	(290,400)	-
Total other financing sources (uses)	12,119,007	12,119,007	11,404,800	(714,207)
Net Change in Fund Balance	(5,887,570)	(7,281,859)	-	7,281,859
Fund Balance:				
Beginning of year	-	-	-	-
End of year	<u>\$ (5,887,570)</u>	<u>\$ (7,281,859)</u>	<u>\$ -</u>	<u>\$ 7,281,859</u>

See accompanying notes to schedules of required supplementary information.

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET TO ACTUAL
DRUG AND ALCOHOL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal, state, and municipal grants	\$ 5,950,741	\$ 6,624,559	\$ 6,403,950	\$ (220,609)
Charges for services	200,000	200,000	196,690	(3,310)
Interest income	1,000	1,000	2,199	1,199
Total revenues	6,151,741	6,825,559	6,602,839	(222,720)
Expenditures:				
Current:				
Community services	6,433,605	7,107,423	6,884,703	222,720
Total expenditures	6,433,605	7,107,423	6,884,703	222,720
Excess (Deficiency) of Revenues Over (Under) Expenditures	(281,864)	(281,864)	(281,864)	-
Other Financing Sources (Uses):				
Transfers in	281,864	281,864	281,864	-
Total other financing sources (uses)	281,864	281,864	281,864	-
Net Change in Fund Balance	-	-	-	-
Fund Balance:				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

See accompanying notes to schedules of required supplementary information.

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE – BUDGET TO ACTUAL
 HEALTH CHOICES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal, state, and municipal grants	\$ 131,351,010	\$ 131,351,010	\$ 145,147,784	\$ 13,796,774
Interest income	106,766	106,766	16,316	(90,450)
Total revenues	131,457,776	131,457,776	145,164,100	13,706,324
Expenditures:				
Current:				
Community services	131,457,776	131,457,776	138,785,473	(7,327,697)
Total expenditures	131,457,776	131,457,776	138,785,473	(7,327,697)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	6,378,627	6,378,627
Net Change in Fund Balance	-	-	6,378,627	6,378,627
Fund Balance:				
Beginning of year	16,109,143	16,109,143	16,109,143	-
End of year	<u>\$ 16,109,143</u>	<u>\$ 16,109,143</u>	<u>\$ 22,487,770</u>	<u>\$ 6,378,627</u>

See accompanying notes to schedules of required supplementary information.

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE – BUDGET TO ACTUAL
 ARPA FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal, state, and municipal grants	\$ 26,295,751	\$ 26,295,751	\$ 5,356,442	\$ (20,939,309)
Other	20,000	20,000	78,103	58,103
Total revenues	26,315,751	26,315,751	5,434,545	(20,881,206)
Expenditures:				
Current:				
Community services	20,232,418	23,918,381	5,325,982	18,592,399
Capital outlay	-	42,000	30,460	11,540
Total expenditures	20,232,418	23,960,381	5,356,442	18,603,939
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,083,333	2,355,370	78,103	(2,277,267)
Other Financing Sources (Uses):				
Transfers out	-	331,032	-	(331,032)
Total other financing sources (uses)	-	331,032	-	(331,032)
Net Change in Fund Balance	6,083,333	2,686,402	78,103	(2,608,299)
Fund Balance:				
Beginning of year	10,752	10,752	10,752	-
End of year	\$ 6,094,085	\$ 2,697,154	\$ 88,855	\$ (2,608,299)

See accompanying notes to schedules of required supplementary information.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022

Budgets and Budgetary Accounting

The County's budget is adopted on the modified accrual basis which is consistent with accounting principles generally accepted in the United States of America.

OTHER SUPPLEMENTARY INFORMATION

COUNTY OF ERIE, PENNSYLVANIA
NONMAJOR GOVERNMENTAL FUNDS

Liquid Fuels

Tax funds received from the Commonwealth are passed through to local municipalities for road and bridge maintenance.

Domestic Relations

Title IV-D and incentive payments for child support collection offsetting aid to families with dependent children are matched with County funds to provide for administration of child support and related court orders.

Public Health

Funds provided by Act 315, Act 12, and other grants are used to administer personal health services and other health related programs.

Gaming Fund

This fund is provided by revenue received from the operations of Presque Isle Downs and Casino. \$1 million of the funds received are appropriated for the operation of the Land Bank. Of the remaining funds, 55% of the funds received support regional assets. The remaining 45% is restricted to operating and capital projects for contiguous municipalities that resulted from the operation of the casino. The County remits all restricted gaming funds to the Authority and the Land Bank as soon as they are collected. The Authority and Land Bank allocate these funds based upon their distribution plan.

Library

Funding comes primarily from the County with additional grants from the Commonwealth and certain local municipalities. Several branch libraries are operated throughout the County and the bookmobile service is also provided.

Planning

This fund administers numerous federal grants awarded to the County and/or municipalities of the County.

Public Safety

This fund provides consolidated enhanced 911 dispatching funded by telephone surcharge from land lines, wireless and voice over internet protocol, and County tax dollars. Tax dollars and grants from PEMA fund the planning, training, and response to public emergencies, hazardous spills, and terrorist activities.

Erie County Care Management, Inc. (ECCM)

ECCM is a blended component unit which provides services to Medicare-eligible clients of the County's Mental Health/Intellectual Disabilities, Drug and Alcohol, and Children and Youth Services.

Capital Projects

Capital project funds are used to account for the financing payment of certain capital improvements.

Debt Service

Debt Service Funds are used to account for the accumulation of resources and the payment of principal and interest on the County's outstanding general obligation bond issues.

COUNTY OF ERIE, PENNSYLVANIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	Special Revenue Funds				
	Liquid Fuels	Domestic Relations	Public Health	Gaming	Library
Assets					
Cash and cash equivalents	\$ 164,390	\$ 19,560	\$ 800	\$ 6,401,765	\$ 2,333
Investments	-	-	-	-	-
Receivables, net	192	1,095,192	3,927,601	2,946,638	37,549
Due from other funds	-	-	-	105,338	1,082,435
Prepaid items	-	-	264	-	10,415
Total Assets	\$ 164,582	\$ 1,114,752	\$ 3,928,665	\$ 9,453,741	\$ 1,132,732
Liabilities and Fund Balance					
Liabilities:					
Accounts payable	\$ -	\$ 10,120	\$ 973,194	\$ 937,500	\$ 235,566
Accrued liabilities	-	162,536	200,493	-	165,311
Due to other funds	-	901,090	2,753,114	-	342,978
Due to other taxing units	-	-	-	1,325,658	-
Unearned revenue	-	-	-	-	247,395
Total Liabilities	-	1,073,746	3,926,801	2,263,158	991,250
Fund Balance:					
Nonspendable:					
Prepaid items	-	-	264	-	10,415
Restricted for:					
Child support enforcement	-	41,006	-	-	-
Road and bridges improvement	164,582	-	-	-	-
Public health services	-	-	1,600	-	-
Erie County Care Management	-	-	-	-	-
Library services	-	-	-	-	131,067
Emergency services	-	-	-	-	-
Land preservation	-	-	-	-	-
Community grants	-	-	-	7,190,583	-
Community redevelopment	-	-	-	-	-
Recycling	-	-	-	-	-
Debt payments on general obligation bonds	-	-	-	-	-
Assigned for:					
Various capital projects	-	-	-	-	-
Total Fund Balance	164,582	41,006	1,864	7,190,583	141,482
Total Liabilities and Fund Balance	\$ 164,582	\$ 1,114,752	\$ 3,928,665	\$ 9,453,741	\$ 1,132,732

Special Revenue Funds			Total Special Revenue Funds	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Planning	Public Safety	Erie County Care Management				
\$ 8,434,597	\$ 140,737	\$ 4,486,602	\$ 19,650,784	\$ 3,077,589	\$ 2,463,591	\$ 25,191,964
-	-	849,121	849,121	-	-	849,121
738,439	1,520,485	4,349,455	14,615,551	1,898	1,022	14,618,471
16,390	-	-	1,204,163	-	-	1,204,163
-	110,668	137,528	258,875	-	-	258,875
<u>\$ 9,189,426</u>	<u>\$ 1,771,890</u>	<u>\$ 9,822,706</u>	<u>\$ 36,578,494</u>	<u>\$ 3,079,487</u>	<u>\$ 2,464,613</u>	<u>\$ 42,122,594</u>
\$ 226,146	\$ 56,096	576,519	\$ 3,015,141	\$ 29,488	\$ -	\$ 3,044,629
42,313	156,070	168,930	895,653	-	-	895,653
274,722	215,271	-	4,487,175	-	-	4,487,175
406,956	-	-	1,732,614	-	-	1,732,614
2,000	-	437,202	686,597	-	-	686,597
<u>952,137</u>	<u>427,437</u>	<u>1,182,651</u>	<u>10,817,180</u>	<u>29,488</u>	<u>-</u>	<u>10,846,668</u>
-	110,668	137,528	258,875	-	-	258,875
-	-	-	41,006	-	-	41,006
6,699,455	-	-	6,864,037	-	-	6,864,037
-	-	-	1,600	-	-	1,600
-	-	8,502,527	8,502,527	-	-	8,502,527
-	-	-	131,067	-	-	131,067
-	1,233,785	-	1,233,785	-	-	1,233,785
17,790	-	-	17,790	-	-	17,790
-	-	-	7,190,583	-	-	7,190,583
1,247,962	-	-	1,247,962	-	-	1,247,962
272,082	-	-	272,082	-	-	272,082
-	-	-	-	-	2,464,613	2,464,613
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,049,999</u>	<u>-</u>	<u>3,049,999</u>
<u>8,237,289</u>	<u>1,344,453</u>	<u>8,640,055</u>	<u>25,761,314</u>	<u>3,049,999</u>	<u>2,464,613</u>	<u>31,275,926</u>
<u>\$ 9,189,426</u>	<u>\$ 1,771,890</u>	<u>\$ 9,822,706</u>	<u>\$ 36,578,494</u>	<u>\$ 3,079,487</u>	<u>\$ 2,464,613</u>	<u>\$ 42,122,594</u>

COUNTY OF ERIE, PENNSYLVANIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Special Revenue Funds				
	Liquid Fuels	Domestic Relations	Public Health	Gaming	Library
Revenues:					
Federal, State, and Municipal grants	\$ 648,951	\$ 3,313,575	\$ 8,398,581	\$ -	\$ 1,677,961
Charges for services	-	19,612	644,231	14,371,956	87,303
Interest income	758	515	1,865	6,372	-
Other income	-	-	50,166	-	122,347
Total revenues	649,709	3,333,702	9,094,843	14,378,328	1,887,611
Expenditures:					
Current:					
Courts and related offices	-	4,581,988	-	-	-
Community services	-	-	-	13,282,566	-
Public health	-	-	11,561,054	-	-
Public works	578,638	-	-	-	-
Library	-	-	-	-	7,467,876
Other	-	-	-	-	-
Capital outlay	-	-	4,200	-	47,995
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	578,638	4,581,988	11,565,254	13,282,566	7,515,871
Excess (Deficiency) of Revenues Over (Under) Expenditures	71,071	(1,248,286)	(2,470,411)	1,095,762	(5,628,260)
Other Financing Sources (Uses):					
Transfers in	-	1,535,540	2,351,162	-	5,620,758
Transfers out	-	(284,754)	-	(2,416,610)	-
Total other financing sources (uses)	-	1,250,786	2,351,162	(2,416,610)	5,620,758
Net Change in Fund Balance	71,071	2,500	(119,249)	(1,320,848)	(7,502)
Fund Balance:					
Beginning of year	93,511	38,506	121,113	8,511,431	148,984
End of year	\$ 164,582	\$ 41,006	\$ 1,864	\$ 7,190,583	\$ 141,482

Special Revenue Funds			Total Special Revenue Funds	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Planning	Public Safety	Erie County Care Management				
\$ 1,337,205	\$ 124,386	\$ 27,418,254	\$ 42,918,913	\$ -	\$ -	\$ 42,918,913
2,270,297	5,608,754	2,591,430	25,593,583	-	-	25,593,583
12,065	-	-	21,575	15,022	13,690	50,287
114,837	-	2,227,535	2,514,885	-	-	2,514,885
3,734,404	5,733,140	32,237,219	71,048,956	15,022	13,690	71,077,668
-	-	-	4,581,988	-	-	4,581,988
3,823,475	5,753,622	29,167,188	52,026,851	-	-	52,026,851
-	-	-	11,561,054	-	-	11,561,054
-	-	-	578,638	-	-	578,638
-	-	-	7,467,876	-	-	7,467,876
-	-	-	-	-	3,165	3,165
-	11,186	2,292,900	2,356,281	712,661	-	3,068,942
-	-	-	-	-	5,420,000	5,420,000
-	-	-	-	-	1,485,561	1,485,561
3,823,475	5,764,808	31,460,088	78,572,688	712,661	6,908,726	86,194,075
(89,071)	(31,668)	777,131	(7,523,732)	(697,639)	(6,895,036)	(15,116,407)
985,611	1,399,660	-	11,892,731	-	6,908,727	18,801,458
-	(2,169,524)	-	(4,870,888)	-	-	(4,870,888)
985,611	(769,864)	-	7,021,843	-	6,908,727	13,930,570
896,540	(801,532)	777,131	(501,889)	(697,639)	13,691	(1,185,837)
7,340,749	2,145,985	7,862,924	26,263,203	3,747,638	2,450,922	32,461,763
<u>\$ 8,237,289</u>	<u>\$ 1,344,453</u>	<u>\$ 8,640,055</u>	<u>\$ 25,761,314</u>	<u>\$ 3,049,999</u>	<u>\$ 2,464,613</u>	<u>\$ 31,275,926</u>

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Real estate taxes	\$ 86,828,734	\$ 86,828,734	\$ 87,552,128	\$ 723,394
Hotel tax	4,727,860	4,727,860	6,158,284	1,430,424
Federal, state, and municipal grants	3,127,312	5,178,019	3,780,401	(1,397,618)
Charges for services	15,940,200	16,173,005	11,634,034	(4,538,971)
Interest income	194,500	194,500	801,928	607,428
Other income	89,486	108,847	95,881	(12,966)
Total revenues	110,908,092	113,210,965	110,022,656	(3,188,309)
Expenditures:				
Current:				
General government:				
Council and elections	2,421,998	3,334,098	1,951,159	1,382,939
Controller	429,689	430,541	405,522	25,019
County executive	422,667	787,863	627,030	160,833
Solicitor	190,331	196,258	720,155	(523,897)
Human Resources	700,205	791,356	438,754	352,602
Finance	4,796,362	4,873,676	4,141,526	732,150
Operations	5,934,052	6,021,690	3,938,755	2,082,935
Other	8,750,046	9,172,931	9,327,437	(154,506)
Information Technology	2,173,375	2,168,789	519,572	1,649,217
Total general government	25,818,725	27,777,202	22,069,910	5,707,292
Court and related offices:				
Courts	6,097,937	6,288,556	5,448,571	839,985
District justices	3,005,885	3,058,256	2,900,284	157,972
Clerk of records	3,435,499	3,555,499	2,580,433	975,066
Sheriff	3,861,355	3,891,895	3,768,829	123,066
District attorney	4,568,097	5,742,722	4,852,029	890,693
Coroner	782,363	782,363	783,493	(1,130)
Public defender	1,888,290	1,909,383	1,854,571	54,812
Total courts and related offices	23,639,426	25,228,674	22,188,210	3,040,464
Corrections:				
Adult probation	6,838,677	6,838,677	6,389,853	448,824
Corrections	20,072,254	21,129,573	21,687,969	(558,396)
Juvenile probation	3,501,218	3,501,218	3,228,548	272,670
Total correction	30,412,149	31,469,468	31,306,370	163,098
Community services:				
Veterans affairs	342,129	342,129	306,678	35,451
Economic development	-	-	-	-
Grants to others	2,624,548	2,924,548	2,574,188	350,360
Total community services	2,966,677	3,266,677	2,880,866	385,811
Capital outlay:				
General government	-	801,546	221,052	580,494
Courts	-	-	273,382	(273,382)
Corrections	-	-	8,640	(8,640)
Leases	-	-	540,094	(540,094)
Total capital outlay	-	801,546	1,043,168	298,472
Debt Service:				
Lease principal	-	-	270,662	(270,662)
Lease interest	-	-	28,091	(28,091)
	-	-	298,753	(270,662)
Total expenditures	82,836,977	88,543,567	79,787,277	9,324,475
Excess (Deficiency) of Revenue Over (Under) Expenditures	28,071,115	24,667,398	30,235,379	5,567,981
Other Financing Sources (Uses):				
Lease financing			540,094	(540,094)
Transfers in	-	331,032	3,041,763	(2,710,731)
Transfers out	(32,632,492)	(32,867,198)	(30,761,698)	(2,105,500)
Total other financing sources (uses)	(32,632,492)	(32,536,166)	(27,179,841)	(5,356,325)
Net Change in Fund Balance	(4,561,377)	(7,868,768)	3,055,538	10,924,306
Fund Balance:				
Beginning of year	59,560,692	59,560,692	61,378,375	(1,817,683)
End of year	\$ 54,999,315	\$ 51,691,924	\$ 64,433,913	\$ 9,106,623

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 LIQUID FUELS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal, state, and municipal grants	\$ 620,000	\$ 620,000	\$ 648,951	\$ 28,951
Interest income	500	500	758	258
Total revenues	620,500	620,500	649,709	29,209
Expenditures:				
Current:				
Public works	595,500	595,500	578,638	16,862
Total expenditures	595,500	595,500	578,638	16,862
Excess (Deficiency) of Revenues Over (Under) Expenditures	25,000	25,000	71,071	46,071
Net Change in Fund Balance	25,000	25,000	71,071	46,071
Fund Balance:				
Beginning of year	93,511	93,511	93,511	-
End of year	<u>\$ 118,511</u>	<u>\$ 118,511</u>	<u>\$ 164,582</u>	<u>\$ 46,071</u>

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 DOMESTIC RELATIONS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal, state, and municipal grants	\$ 3,532,323	\$ 3,532,323	\$ 3,313,575	\$ (218,748)
Charges for services	43,000	43,000	19,612	(23,388)
Interest income	600	600	515	(85)
Total revenues	3,575,923	3,575,923	3,333,702	(242,221)
Expenditures:				
Current:				
Courts and related office	5,111,686	5,111,686	4,581,988	529,698
Total expenditures	5,111,686	5,111,686	4,581,988	529,698
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,535,763)	(1,535,763)	(1,248,286)	287,477
Other Financing Sources (Uses):				
Transfers in	1,796,049	1,796,049	1,535,540	260,509
Transfers out	(260,286)	(260,286)	(284,754)	24,468
Total other financing sources (uses)	1,535,763	1,535,763	1,250,786	(284,977)
Net Change in Fund Balance	-	-	2,500	2,500
Fund Balance:				
Beginning of year	38,506	38,506	38,506	-
End of year	\$ 38,506	\$ 38,506	\$ 41,006	\$ 2,500

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 GAMING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for services	\$ 11,000,000	\$ 11,000,000	\$ 14,371,956	\$ 3,371,956
Interest income	7,700	7,700	6,372	(1,328)
Total revenues	11,007,700	11,007,700	14,378,328	3,370,628
Expenditures:				
Current:				
Community services	6,515,208	9,015,208	13,282,566	(4,267,358)
Capital outlay	3,750,000	3,750,000	-	3,750,000
Total expenditures	10,265,208	12,765,208	13,282,566	(517,358)
Excess (Deficiency) of Revenues Over (Under) Expenditures	742,492	(1,757,508)	1,095,762	2,853,270
Other Financing Sources (Uses):				
Transfers out	(2,521,948)	(2,521,948)	(2,416,610)	(105,338.0)
Net Change in Fund Balance	(1,779,456.0)	(4,279,456)	(1,320,848)	2,958,608
Fund Balance:				
Beginning of year	8,511,431	8,511,431	8,511,431	-
End of year	\$ 6,731,975	\$ 4,231,975	\$ 7,190,583	\$ 2,958,608

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 PUBLIC HEALTH FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal, state, and municipal grants	\$11,145,294	\$12,463,935	\$ 8,398,581	\$ (4,065,354)
Charges for services	635,000	679,600	644,231	(35,369)
Interest income	2,100	2,100	1,865	(235)
Other	536,000	536,000	50,166	(485,834)
Total revenues	12,318,394	13,681,635	9,094,843	(4,586,792)
Expenditures:				
Current:				
Public health	14,123,778	15,640,725	11,561,054	4,079,671
Capital outlay	6,770	10,970	4,200	6,770
Total expenditures	14,130,548	15,651,695	11,565,254	4,086,441
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,812,154)	(1,970,060)	(2,470,411)	(500,351)
Other Financing Sources (Uses):				
Transfers in	1,801,138	1,959,044	2,351,162	392,118
Net Change in Fund Balance	(11,016.00)	(11,016)	(119,249)	(108,233)
Fund Balance:				
Beginning of year	121,113	121,113	121,113	-
End of year	\$ 110,097	\$ 110,097	\$ 1,864	\$ (108,233)

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 LIBRARY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal, state, and municipal grants	\$ 1,545,344	\$ 1,730,491	\$ 1,677,961	\$ (52,530)
Charges for services	88,000	88,000	87,303	(697)
Other	95,477	122,377	122,347	(30)
Total revenues	1,728,821	1,940,868	1,887,611	(53,257)
Expenditures:				
Current:				
Library	7,694,424	7,900,668	7,467,876	432,792
Capital outlay	20,000	47,995	47,995	-
Total expenditures	7,714,424	7,948,663	7,515,871	432,792
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,985,603)	(6,007,795)	(5,628,260)	379,535
Other Financing Sources (Uses):				
Transfers in	5,978,103	6,000,295	5,620,758	(379,537)
Net Change in Fund Balance	(7,500)	(7,500)	(7,502)	(2)
Fund Balance:				
Beginning of year	148,984	148,984	148,984	-
End of year	<u>\$ 141,484</u>	<u>\$ 141,484</u>	<u>\$ 141,482</u>	<u>\$ (2)</u>

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 PLANNING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal, state, and municipal grants	\$ 3,902,621	\$ 3,902,621	\$ 1,337,205	\$ (2,565,416)
Charges for services	2,491,772	2,491,772	2,270,297	(221,475)
Interest income	7,700	7,700	12,065	4,365
Other	149,920	149,920	114,837	(35,083)
Total revenues	6,552,013	6,552,013	3,734,404	(2,817,609)
Expenditures:				
Current:				
Community services	10,535,118	10,658,697	3,823,475	6,835,222
Total expenditures	10,535,118	10,658,697	3,823,475	6,835,222
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,983,105)	(4,106,684)	(89,071)	4,017,613
Other Financing Sources (Uses):				
Transfers in	820,876	944,452	985,611	41,159
Total other financing sources (uses)	820,876	944,452	985,611	41,159
Net Change in Fund Balance	(3,162,229)	(3,162,232)	896,540	4,058,772
Fund Balance:				
Beginning of year	7,340,749	7,340,749	7,340,749	-
End of year	<u>\$ 4,178,520</u>	<u>\$ 4,178,517</u>	<u>\$ 8,237,289</u>	<u>\$ 4,058,772</u>

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 PUBLIC SAFETY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal, state, and municipal grants	\$ 112,931	\$ 112,931	\$ 124,386	\$ 11,455
Charges for services	5,476,501	5,504,729	5,608,754	104,025
Other	6,500	6,500	-	(6,500)
Total revenues	5,595,932	5,624,160	5,733,140	108,980
Expenditures:				
Current:				
Community services	6,992,666	7,066,626	5,753,622	1,313,004
Capital outlay	28,000	33,000	11,186	21,814
Total expenditures	7,020,666	7,099,626	5,764,808	1,334,818
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,424,734)	(1,475,466)	(31,668)	1,443,798
Other Financing Sources (Uses):				
Transfers in	3,071,242	3,122,483	1,399,660	1,722,823
Transfers out	(2,169,423)	(2,169,423)	(2,169,524)	101
Total other financing sources (uses)	901,819	953,060	(769,864)	(1,722,924)
Net Change in Fund Balance	(522,915)	(522,406)	(801,532)	(279,126)
Fund Balance:				
Beginning of year	2,145,985	2,145,985	2,145,985	-
End of year	\$ 1,623,070	\$ 1,623,579	\$ 1,344,453	\$ (279,126)

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 ERIE COUNTY CARE MANAGEMENT, INC. FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal, state, and municipal grants	\$ 13,805,265	\$ 13,805,265	\$ 27,418,254	\$ 13,612,989
Charges for services	743,722	743,722	2,591,430	1,847,708
Interest	-	-	-	-
Other	-	-	2,227,535	2,227,535
Total revenues	14,548,987	14,548,987	32,237,219	17,688,232
Expenditures:				
Current:				
Community services	16,285,999	16,285,999	29,167,188	(12,881,189)
Capital outlay	174,956	174,956	2,292,900	(2,117,944)
Total expenditures	16,460,955	16,460,955	31,460,088	(14,999,133)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,911,968)	(1,911,968)	777,131	2,689,099
Net Change in Fund Balance	(1,911,968)	(1,911,968)	777,131	2,689,099
Fund Balance:				
Beginning of year	7,862,924	7,862,924	7,862,924	-
End of year	\$ 5,950,956	\$ 5,950,956	\$ 8,640,055	\$ 2,689,099

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Interest	\$ 8,500	\$ 8,500	\$ 13,690	\$ 5,190
Expenditures:				
Current:				
Other	3,165	3,165	3,165	-
Debt service:				
Principal	6,204,312	6,204,312	5,420,000	784,312
Interest	701,250	701,250	1,485,561	(784,311)
Total expenditures	6,908,727	6,908,727	6,908,726	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,900,227)	(6,900,227)	(6,895,036)	5,191
Other Financing Sources (Uses):				
Transfers in	9,526,457	9,526,457	6,908,727	2,617,730
Total other financing sources (uses)	9,526,457	9,526,457	6,908,727	2,617,730
Net Change in Fund Balance	2,626,230	2,626,230	13,691	(2,612,539)
Fund Balance:				
Beginning of year	2,450,922	2,450,922	2,450,922	-
End of year	<u>\$ 5,077,152</u>	<u>\$ 5,077,152</u>	<u>\$ 2,464,613</u>	<u>\$ (2,612,539)</u>

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal, state, and municipal grants	\$ -	\$ 111,757	\$ -	(111,757)
Charges for services	-	-	-	-
Interest income	-	-	15,022	15,022
Total revenues	-	111,757	15,022	(96,735)
Expenditures:				
Capital outlay	773,274	773,274	712,661	60,613
Total expenditures	773,274	773,274	712,661	60,613
Excess (Deficiency) of Revenues Over (Under) Expenditures	(773,274)	(661,517)	(697,639)	(36,122)
Other Financing Services (uses):				
Transfers in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balance	(773,274)	(661,517)	(697,639)	(36,122)
Fund Balance:				
Beginning of year	3,747,638	3,747,638	3,747,638	-
End of year	\$ 2,974,364	\$ 3,086,121	\$ 3,049,999	\$ (36,122)

COUNTY OF ERIE, PENNSYLVANIA
FIDUCIARY FUNDS

Tax Claim

Real estate taxes are collected by independent-elected tax collectors during the year in which they were levied by the various taxing authorities within the County. Taxes not collected are returned to the Tax Claim Bureau, which provides collection of delinquent county, municipal, and school district taxes, and outstanding costs, as well as disbursing the money received to appropriate taxing authorities. The Tax Claim Bureau is also responsible for filing liens for delinquent taxes of two or more years according to law.

Revenue Licenses

Proceeds from the sale of hunting, fishing, dog, and bingo licenses are deposited into the State Fund and are remitted to various governmental units including the General Fund. Proceeds from the sale of temporary automobile licenses are deposited to the Temporary Automobile License Fund and remitted to the Commonwealth, with the County retaining a commission on each license sold.

Recorder of Deeds

Maintains legal records for all real estate. Recording fees and transfer taxes are collected and remitted to various governmental units. These accounts are maintained by staff under the Clerk of Records.

Clerk of Courts

Maintains all records, files, and decisions of the Criminal Courts, Domestic Relations, Coroner, and Juvenile Proceedings. Fines, fees, and cash bail are collected and ultimately remitted to the payer and/or various governmental units. These accounts are maintained by staff under the Clerk of Records.

Register of Wills

Maintains records regarding wills and other matters presented to the Orphan's Court. Acts as agent for the Commonwealth for collecting inheritance taxes, appointing executors and administering estates, maintaining adoption records, and marriage licenses. Money is received as fees, inheritance taxes, and unclaimed estates. Disbursements are made for various costs and remittances to the Commonwealth. These accounts are maintained by the staff under the Clerk of Records.

Prothonotary

Maintains all records on civil matters such as suits, judgments, liens, charters, appeals, searches, and certificates. Fees and court-ordered amounts are collected and subsequently disbursed to the Commonwealth and third parties. These accounts are maintained by staff under the Clerk of Records.

Sheriff

Carries out the orders of the Civil and Criminal Courts. Responsible for delivering convicted persons to various criminal institutions. Collects proceeds for real estate sales, fines, and fees which are remitted to financial institutions, taxing authorities, and other governmental units. These accounts are maintained by staff under the Sheriff.

Prison, Commissary, Inmate, and Work Release

The Prison Inmate Account receives prisoners' cash upon entry into the prison and disburses the cash according to prisoner directives. The prisoners' cash is returned upon discharge. The prison Commissary Account receives cash from the Prison Inmate Account to pay for prisoners' purchases from the Commissary. The Prison Inmate Account purchases Commissary inventory and supplies for prisoners. The Work Release Account receives paychecks from the work release program. Paychecks are used to cover costs such as room and board, fines, and support. If funds are available after these deductions, the balance is returned to the defendant.

COUNTY OF ERIE, PENNSYLVANIA
FIDUCIARY FUNDS (CONTINUED)

Magisterial District Judges

Magisterial District Court Accounts receive cash from defendants and distribute it to State, Municipalities, constable fees, and victims of crimes. The accounts are maintained by the District Judges.

Children and Youth

Child Trust – Receives Social Security income payments for children in the Children and Youth Program. Individual accounts are maintained for each child. Payments are made for personal care expenses in accordance with the Commonwealth and federal regulations.

Domestic Relations

Child Support – Support accounts receive cash from defendants under Court order and disburse the cash to the designated party: either the Commonwealth or the Plaintiff. These accounts are maintained by Domestic Relations personnel responsible to the Judges of the Court of Common Pleas.

Act 101 Site-Specific Post-Closure

Trust set up to assure funds are available for any remedial measures and emergency actions which may become necessary to prevent or abate effects upon the environment after closure of Lakeview Landfill.

Client Funds Held by Erie County Care Management (ECCM)

Accounts for funds which belong to ECCM's clients. Receives Social Security income payments for clients and assists clients in managing the use of funds.

Resident Funds Held by Pleasant Ridge Manor (PRM)

Accounts for funds which belong to PRM residents. Receives Social Security income payments for residents and assists residents in managing the use of funds.

Erie County Employees' Pension Plan

Established to provide retirement, disability, and death benefits to eligible retirees of the County.

Pleasant Ridge Manor Pension Plan

Established to provide retirement, disability, and death benefits to eligible retirees of Pleasant Ridge Manor.

COUNTY OF ERIE, PENNSYLVANIA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 DECEMBER 31, 2022

	Tax Claim	State License and Fees	Recorder of Deeds	Clerk of Courts Criminal Fees	Register of Wills	Prothonotary Civil Fees
Assets						
Cash and pooled investments	\$ 2,182,693	\$ 5,566	\$ 913,663	\$ 838,234	\$ 54,174	\$ 358,869
Due from other governments	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Taxes receivable for other governments	9,634,455	-	-	-	-	-
Total Assets	11,817,148	5,566	913,663	838,234	54,174	358,869
Liabilities						
Accounts payable	2,187,004	-	-	703,260	6,502	65,093
Due to other governments	9,634,455	3,712	-	-	-	-
Total Liabilities	11,821,459	3,712	-	703,260	6,502	65,093
Net Position						
Restricted for:						
Individuals, organizations, other governments	\$ (4,311)	\$ 1,854	\$ 913,663	\$ 134,974	\$ 47,672	\$ 293,776

<u>Sheriff Real Estate & Training</u>	<u>Prison Combined</u>	<u>MDJS Combined</u>	<u>OCY Trust</u>	<u>Domestic Relations</u>	<u>ACT 101 Site Closure</u>	<u>ECCM Client Funds</u>	<u>PRM Client Funds</u>	<u>Total Custodial Funds</u>
\$ 589,225	\$ 457,324	\$ 238,727	\$ 5,691	\$ 36,778	\$ 97,641	\$ 588,448	\$ 542,191	\$ 6,909,224
-	-	-	-	-	1,894,572	-	-	1,894,572
720	-	-	-	-	-	-	-	720
-	-	-	-	-	-	-	-	9,634,455
<u>589,945</u>	<u>457,324</u>	<u>238,727</u>	<u>5,691</u>	<u>36,778</u>	<u>1,992,213</u>	<u>588,448</u>	<u>542,191</u>	<u>18,438,971</u>
563,285	448,446	163,338	-	34,275	-	-	-	4,171,203
-	-	-	-	-	-	-	-	9,638,167
<u>563,285</u>	<u>448,446</u>	<u>163,338</u>	<u>-</u>	<u>34,275</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,809,370</u>
<u>\$ 26,660</u>	<u>\$ 8,878</u>	<u>\$ 75,389</u>	<u>\$ 5,691</u>	<u>\$ 2,503</u>	<u>\$ 1,992,213</u>	<u>\$ 588,448</u>	<u>\$ 542,191</u>	<u>\$ 4,629,601</u>

COUNTY OF ERIE, PENNSYLVANIA
 COMBINING STATEMENT OF CHANGES
 IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Tax Claim	State License and Fees	Recorder of Deeds	Clerk of Courts Criminal Fees	Register of Wills	Prothonotary Civil Fees
Additions						
Property tax collected for other governments	\$ 46,901,949	\$ -	\$ -	\$ -	\$ -	\$ -
Realty tax collected for other governments	-	-	10,754,043	-	-	-
Inheritance tax collected for other governments	-	-	-	-	29,771,790	-
Fees collected for other governments	-	252,468	23,831,787	4,657,187	778,365	-
Investment earnings	-	-	-	-	-	-
Patient income (PRM & ECCM)	-	-	-	-	-	-
Inmate account collections	-	-	-	-	-	-
Collections for support	-	-	-	-	-	-
Fees and fines collected - other	-	-	-	310,995	-	952,052
Total Additions	<u>46,901,949</u>	<u>252,468</u>	<u>34,585,830</u>	<u>4,968,182</u>	<u>30,550,155</u>	<u>952,052</u>
Deductions						
Property tax collections to other governments	46,903,949	-	-	-	-	-
Realty tax collections to other governments	-	-	10,650,289	-	-	-
Inheritance tax collected to other governments	-	-	-	-	29,772,633	-
Fees collected to other governments	-	252,408	24,317,562	4,956,816	780,301	-
Net decrease in fair value of Investments	-	-	-	-	-	-
Sheriff sales (real estate) disbursed	-	-	-	-	-	-
Patient expense (PRM & ECCM)	-	-	-	-	-	-
Inmate disbursements	-	-	-	-	-	-
Support payments	-	-	-	-	-	-
Payments to other entities	-	-	-	324,942	-	1,031,254
Total Deductions	<u>46,903,949</u>	<u>252,408</u>	<u>34,967,851</u>	<u>5,281,758</u>	<u>30,552,934</u>	<u>1,031,254</u>
Change in net position	(2,000)	60	(382,021)	(313,576)	(2,779)	(79,202)
Net Position – Beginning of Year	<u>(2,311)</u>	<u>1,794</u>	<u>1,295,684</u>	<u>448,550</u>	<u>50,451</u>	<u>372,978</u>
Net Position – End of Year	<u>\$ (4,311)</u>	<u>\$ 1,854</u>	<u>\$ 913,663</u>	<u>\$ 134,974</u>	<u>\$ 47,672</u>	<u>\$ 293,776</u>

Sheriff Real Estate & Training	Prison Combined	MDJs Combined	OCY Trust	Domestic Relations	ACT 102 Site Closure	ECCM Client Funds	PRM Client Funds	Total Custodial Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,901,949
-	-	-	-	-	-	-	-	10,754,043
-	-	-	-	-	-	-	-	29,771,790
3,027,050	-	5,780,781	-	25,500	-	-	-	38,353,138
-	-	-	-	-	20,403	-	-	20,403
-	-	-	-	-	-	3,252,386	2,149,689	5,402,075
-	1,971,817	-	-	-	-	-	-	1,971,817
-	-	-	1	976,147	-	-	-	976,148
62,182	-	-	-	-	-	-	-	1,325,229
<u>3,089,232</u>	<u>1,971,817</u>	<u>5,780,781</u>	<u>1</u>	<u>1,001,647</u>	<u>20,403</u>	<u>3,252,386</u>	<u>2,149,689</u>	<u>135,476,592</u>
-	-	-	-	-	-	-	-	46,903,949
-	-	-	-	-	-	-	-	10,650,289
-	-	-	-	-	-	-	-	29,772,633
59,012	-	5,765,432	-	26,615	-	-	-	36,158,146
-	-	-	-	-	205,819	-	-	205,819
3,123,913	-	-	-	-	-	-	-	3,123,913
-	-	-	-	-	-	3,415,444	2,161,711	5,577,155
-	2,228,693	-	-	-	-	-	-	2,228,693
-	-	-	-	987,263	-	-	-	987,263
-	-	-	-	-	-	-	-	1,356,196
<u>3,182,925</u>	<u>2,228,693</u>	<u>5,765,432</u>	<u>-</u>	<u>1,013,878</u>	<u>205,819</u>	<u>3,415,444</u>	<u>2,161,711</u>	<u>136,964,056</u>
(93,693)	(256,876)	15,349	1	(12,231)	(185,416)	(163,058)	(12,022)	(1,487,464)
<u>120,353</u>	<u>265,754</u>	<u>60,040</u>	<u>5,690</u>	<u>14,734</u>	<u>2,177,629</u>	<u>751,506</u>	<u>554,213</u>	<u>6,117,065</u>
<u>\$ 26,660</u>	<u>\$ 8,878</u>	<u>\$ 75,389</u>	<u>\$ 5,691</u>	<u>\$ 2,503</u>	<u>\$ 1,992,213</u>	<u>\$ 588,448</u>	<u>\$ 542,191</u>	<u>\$ 4,629,601</u>

COUNTY OF ERIE, PENNSYLVANIA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 PENSION PLANS
 DECEMBER 31, 2022

	County Employees Pension Trust Fund	Pleasant Ridge Manor Pension Trust Fund	Total Pension Trust Funds
Assets			
Cash and cash equivalents	\$ 3,598,795	\$ 1,037,172	\$ 4,635,967
Investments:			
U.S. governmental obligations	30,572,874	6,678,815	37,251,689
Corporate debt obligations	16,503,832	12,257,665	28,761,497
Other fixed income	866,004	-	866,004
Mutual funds - fixed income	28,053,185	43,342,527	71,395,712
Mutual funds - equity	105,060,800	-	105,060,800
Property trusts	29,454,521	-	29,454,521
Private equity	25,290,784	-	25,290,784
Exchange traded funds	5,474,208	-	5,474,208
Domestic equities	40,357,125	-	40,357,125
 Total investments	 281,633,333	 62,279,007	 343,912,340
Receivables:			
Contribution receivable	40	20,992	21,032
Interest and other receivables	421,062	200,063	621,125
 Total receivables	 421,102	 221,055	 642,157
 Total Assets	 \$ 285,653,230	 \$ 63,537,234	 \$349,190,464
Net Position			
Restricted for:			
Pension benefits	\$ 285,653,230	\$ 63,537,234	\$349,190,464
 Total Net Pension	 \$ 285,653,230	 \$ 63,537,234	 \$349,190,464

COUNTY OF ERIE, PENNSYLVANIA
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 PENSION PLANS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	County Employees Pension Trust Fund	Pleasant Ridge Manor Pension Trust Fund	Total Pension Trust Funds
Additions:			
Contributions:			
Employee	\$ 4,634,409	\$ 678,315	\$ 5,312,724
Employer	6,954,686	364,000	7,318,686
Total contributions	11,589,095	1,042,315	12,631,410
Investment income:			
Net appreciation in fair value of investments	(41,823,029)	(12,591,679)	(54,414,708)
Interest and dividends	5,792,805	1,835,540	7,628,345
Total investment income	(36,030,224)	(10,756,139)	(46,786,363)
Less investment expense	542,028	72,598	614,626
Net investment income	(36,572,252)	(10,828,737)	(47,400,989)
Total additions	(24,983,157)	(9,786,422)	(34,769,579)
Deductions:			
Pension benefits and refunds	21,812,220	4,560,913	26,373,133
Administrative expense	244,421	55,134	299,555
Total deductions	22,056,641	4,616,047	26,672,688
Change in Net Position	(47,039,798)	(14,402,469)	(61,442,267)
Net Position, Beginning of year	332,693,028	77,939,703	410,632,731
Net Position, End of year	\$ 285,653,230	\$ 63,537,234	\$ 349,190,464

**CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS**

COUNTY OF ERIE, PENNSYLVANIA
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE OF FUNCTION AND ACTIVITY
 FOR THE YEAR ENDED DECEMBER 31, 2022

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Vehicles, Furniture, and Equipment</u>	<u>Right of Use Assets</u>	<u>Total</u>
General government	\$ 386,908	\$ 24,627,501	\$ 2,939,899	\$ 136,562	\$ 28,090,870
Courts and related offices	-	2,655,280	2,612,266	1,479,186	6,746,732
Corrections	284,420	32,324,572	1,154,136	-	33,763,128
Community services	301,797	17,816,284	20,283,367	-	38,401,448
Public health	-	841,701	598,421	-	1,440,122
Library	528,112	17,513,364	1,487,908	-	19,529,384
Total governmental funds capital assets	<u>\$ 1,501,237</u>	<u>\$ 95,778,702</u>	<u>\$ 29,075,997</u>	<u>\$ 1,615,748</u>	<u>\$ 127,971,684</u>

COUNTY OF ERIE, PENNSYLVANIA
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
 FOR THE YEAR ENDED DECEMBER 31, 2022

Function and Activity	Governmental Funds			Governmental Funds
	Capital Assets December 31, 2021	Additions	Deduction/ Transfer	Capital Assets December 31, 2022
General government	\$ 28,016,569	\$ 160,141	\$ (152,944)	\$ 28,023,766
Courts and related offices	6,317,968	637,181	(208,417)	6,746,732
Corrections	33,798,809	76,013	(111,694)	33,763,128
Community services	40,173,240	14,762,999	(16,477,223)	38,459,016
Public health	1,438,244	34,343	(22,928)	1,449,659
Library	19,468,976	66,038	(5,631)	19,529,383
Total governmental funds capital assets	<u>\$ 129,213,806</u>	<u>\$ 15,736,715</u>	<u>\$ (16,978,837)</u>	<u>\$ 127,971,684</u>

COUNTY OF ERIE, PENNSYLVANIA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF ASSETS BY SOURCE
FOR THE YEAR ENDED DECEMBER 31, 2022

Governmental funds capital assets:

Land	\$ 1,501,237
Buildings and improvements	95,778,702
Vehicles, furniture, and equipment	29,075,997
Right of use assets	<u>1,615,748</u>
	<u><u>\$ 127,971,684</u></u>

Investment in governmental funds capital assets by source:

General Fund	\$ 66,605,580
Special Revenue Funds	<u>61,366,104</u>
	<u><u>\$ 127,971,684</u></u>

STATISTICAL SECTION

This section of the County of Erie's (County) Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	166
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue sources, the property tax, and earned income tax.	179
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	188
Demographic and Economic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place.	196
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs	199

FINANCIAL TRENDS

COUNTY OF ERIE, PENNSYLVANIA
NET POSITION BY COMPONENT
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING

	2022	2021	2020	2019
Governmental activities:				
Net investment in capital assets	\$ 13,193,039	\$ 1,664,821	\$ 2,028,339	\$ 2,564,940
Restricted	77,939,944	55,319,147	51,891,172	42,094,318
Unrestricted	6,243,194	(6,483,543)	(11,112,606)	(26,339,655)
<i>Total Governmental Activities Net Position</i>	<u>\$ 97,376,177</u>	<u>\$50,500,425</u>	<u>\$42,806,905</u>	<u>\$18,319,603</u>
Business-type Activities:				
Net investment in capital assets	\$ 4,379,925	\$ 4,784,693	\$ 5,358,191	\$ 5,595,767
Restricted	-	-	-	-
Unrestricted	4,424,196	6,383,573	532,736	1,297,500
<i>Total Business-type Activities Net Position</i>	<u>\$ 8,804,121</u>	<u>\$11,168,266</u>	<u>\$ 5,890,927</u>	<u>\$ 6,893,267</u>
Primary Government:				
Net investment in capital assets	\$ 17,572,964	\$ 6,449,514	\$ 7,386,530	\$ 8,160,707
Restricted	77,939,944	55,319,147	51,891,172	42,094,318
Unrestricted	10,667,390	(99,970)	(10,579,870)	(25,042,155)
<i>Total Primary Government Net Position</i>	<u>\$106,180,298</u>	<u>\$61,668,691</u>	<u>\$48,697,832</u>	<u>\$25,212,870</u>

Notes:

1. This Schedule is being prepared prospectively in accordance with GASB Statement No. 63.
2. The County Nursing Home became a blended component unit due to the adoption of GASB Statement No. 61 in 2013.
3. GASB Statement No. 68 was adopted in 2015; prior year amounts were not restated.
4. GASB Statement No. 75 was adopted in 2018; prior year amounts were not restated.
5. GASB Statement No. 87 was adopted in 2022; prior year amounts were not restated.

2018	2017	2016	2015	2014	2013
\$ 4,471,289	\$ 1,661,625	\$ 1,908,369	\$ 122,636	\$ 986,225	\$ 3,234,228
37,840,668	37,967,000	34,865,893	31,903,417	34,708,680	37,919,072
(20,510,725)	6,397,161	2,161,705	(1,130,226)	(2,110,809)	(8,005,536)
<u>\$ 21,801,232</u>	<u>\$ 46,025,786</u>	<u>\$ 38,935,967</u>	<u>\$ 30,895,827</u>	<u>\$ 33,584,096</u>	<u>\$ 33,147,764</u>
\$ 5,495,208	\$ 5,520,382	\$ 5,537,475	\$ 5,697,500	\$ 4,430,807	\$ 4,628,713
-	1,620,998	-	-	-	-
283,771	1,861,949	1,923,502	1,744,693	3,634,846	3,986,428
<u>\$ 5,778,979</u>	<u>\$ 9,003,329</u>	<u>\$ 7,460,977</u>	<u>\$ 7,442,193</u>	<u>\$ 8,065,653</u>	<u>\$ 8,615,141</u>
\$ 9,966,497	\$ 7,182,007	\$ 7,445,844	\$ 5,820,136	\$ 5,417,032	\$ 7,862,941
37,840,668	39,587,998	34,865,893	31,903,417	34,708,680	37,919,072
(20,226,954)	8,259,110	4,085,207	614,467	1,524,037	(4,019,108)
<u>\$ 27,580,211</u>	<u>\$ 55,029,115</u>	<u>\$ 46,396,944</u>	<u>\$ 38,338,020</u>	<u>\$ 41,649,749</u>	<u>\$ 41,762,905</u>

COUNTY OF ERIE, PENNSYLVANIA
CHANGES IN NET POSITION
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING

	2022	2021	2020
Expenses:			
Governmental Activities:			
General government	\$ 25,401,263	\$ 19,938,695	\$ 17,346,167
Courts and related offices	23,789,941	26,669,256	24,553,399
Corrections	39,644,746	39,338,013	32,183,720
Community services	294,600,823	329,299,977	257,846,124
Public health	11,854,777	11,569,053	8,331,574
Public works	578,638	763,650	878,173
Library	7,477,806	8,038,316	7,071,786
Other	-	-	-
Interest on long-term debt	777,617	957,657	1,265,428
<i>Total governmental activities expenses</i>	<u>\$ 404,125,611</u>	<u>\$ 436,574,617</u>	<u>\$ 349,476,371</u>
Business-type Activities - County owned long-term care facility	27,933,769	23,421,207	29,160,142
<i>Total primary government expenses</i>	<u>\$ 432,059,380</u>	<u>\$ 459,995,824</u>	<u>\$ 378,636,513</u>
Program Revenues:			
Governmental Activities:			
Charges for services:			
General government	\$ 3,596,442	\$ 3,651,579	\$ 4,354,969
Courts and related offices	5,524,166	5,696,011	5,403,415
Corrections	2,570,387	2,642,200	2,276,472
Community services	42,073,815	26,159,002	21,787,835
Public health	644,231	641,380	583,526
Library	87,303	71,818	59,637
Operating grants and contributions			
General government	191,035	155,703	1,529,617
Courts and related offices	4,443,192	4,197,868	4,247,014
Corrections	7,358,929	7,242,413	6,649,547
Community services	277,436,554	296,694,583	230,210,939
Public health	8,398,581	8,005,776	5,535,856
Public works	648,951	633,563	631,568
Library	1,677,961	1,611,865	1,493,343
Capital grants and contributions	-	-	-
<i>Total governmental activities program revenues</i>	<u>\$ 354,651,547</u>	<u>\$ 357,403,761</u>	<u>\$ 284,763,738</u>

2019	2018	2017	2016	2015	2014	2013
\$ 25,307,026	\$ 25,485,295	\$ 19,180,125	\$ 19,517,085	\$ 18,732,488	\$ 18,616,773	\$ 19,301,658
27,732,729	22,120,248	24,130,260	24,271,000	24,332,032	23,407,171	22,601,628
41,774,172	35,724,645	36,230,828	38,001,072	37,881,454	37,375,459	36,187,277
225,249,185	230,276,529	227,832,836	212,364,229	197,977,072	194,194,242	195,535,908
8,455,125	6,118,642	6,356,549	6,594,855	6,180,815	5,659,096	6,244,253
773,450	726,950	724,320	717,491	758,402	650,069	696,221
8,692,756	5,024,086	7,903,715	6,878,988	7,765,253	7,063,666	6,910,165
-	-	3,915	9,081	8,344	8,264	-
1,539,182	1,822,965	2,617,700	2,752,117	2,504,632	2,459,814	3,453,834
<u>\$ 339,523,625</u>	<u>\$ 327,299,360</u>	<u>\$ 324,980,248</u>	<u>\$ 311,105,918</u>	<u>\$ 296,140,492</u>	<u>\$ 289,434,554</u>	<u>\$ 290,930,944</u>
29,662,524	30,903,916	29,169,651	30,444,118	33,084,061	35,795,008	34,030,462
<u>\$ 369,186,149</u>	<u>\$ 358,203,276</u>	<u>\$ 354,149,899</u>	<u>\$ 341,550,036</u>	<u>\$ 329,224,553</u>	<u>\$ 325,229,562</u>	<u>\$ 324,961,406</u>
\$ 3,497,650	\$ 4,040,792	\$ 3,746,548	\$ 3,408,480	\$ 3,577,888	\$ 3,457,221	\$ 3,150,424
5,896,806	5,555,617	5,424,155	4,999,225	5,086,361	4,904,274	5,322,226
2,743,508	2,793,819	2,423,071	2,408,537	2,385,331	2,343,640	2,445,342
21,235,896	20,586,428	19,761,903	19,692,616	17,956,735	15,835,016	15,925,374
658,597	658,148	591,188	555,754	544,118	520,553	530,608
167,509	165,631	160,557	156,061	170,222	162,883	189,423
24,870	48,000	51,978	62,500	31,500	131,000	-
4,024,538	4,016,244	4,146,938	4,049,206	4,213,507	4,296,430	4,712,717
7,873,141	8,053,105	7,269,764	8,267,256	8,939,570	9,079,446	8,444,098
193,074,180	198,375,317	200,277,615	190,825,384	173,921,511	169,168,836	167,466,120
4,577,112	4,637,402	4,488,932	4,688,072	4,490,129	4,290,326	4,518,262
727,014	734,037	809,017	724,910	718,212	723,270	745,885
1,460,079	1,446,332	1,520,888	1,466,963	1,453,929	1,456,501	1,407,776
323,842	100,000	241,449	20,264	-	-	-
<u>\$ 246,284,742</u>	<u>\$ 251,210,872</u>	<u>\$ 250,914,003</u>	<u>\$ 241,325,228</u>	<u>\$ 223,489,013</u>	<u>\$ 216,369,396</u>	<u>\$ 214,858,255</u>

COUNTY OF ERIE, PENNSYLVANIA
CHANGES IN NET POSITION
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING
(CONTINUED)

	2022	2021	2020
Business-type Activities:			
Charges for services:			
County owned long-term care facility	23,451,377	20,839,287	28,594,269
Operating grant and contributions	848,997	1,265,318	-
Capital grants and contributions	27,307	5,133	-
<i>Total business-type activities program revenues</i>	<u>24,327,681</u>	<u>22,109,738</u>	<u>28,594,269</u>
<i>Total primary government program revenues</i>	<u>\$ 378,979,228</u>	<u>\$379,513,499</u>	<u>\$ 313,358,007</u>
Net (Expense)/Revenue:			
<i>Governmental Activities</i>	\$ (49,474,064)	\$ (79,170,856)	\$ (64,712,633)
<i>Business-type Activities</i>	<u>(3,606,088)</u>	<u>(1,311,469)</u>	<u>(565,873)</u>
<i>Total primary government</i>	<u>\$ (53,080,152)</u>	<u>\$ (80,482,325)</u>	<u>\$ (65,278,506)</u>
General Revenues and Other Changes in Net Position:			
Governmental Activities:			
Property taxes	\$ 87,437,482	\$ 86,813,857	\$ 82,341,054
Hotel room rental tax	6,158,284	5,379,769	3,227,022
Interest income	1,080,752	217,421	552,567
Other income	2,659,581	793,239	2,579,292
Extraordinary item - loss on loan receivable	-	-	-
Transfers	<u>(986,283)</u>	<u>(6,339,910)</u>	<u>500,000</u>
<i>Total governmental activities</i>	<u>96,349,816</u>	<u>86,864,376</u>	<u>89,199,935</u>
<i>Business-type Activities:</i>			
Interest income	255,660	248,898	43,970
Other income	-	-	19,563
Transfers	<u>986,283</u>	<u>6,339,910</u>	<u>(500,000)</u>
<i>Total business-type activities</i>	<u>1,241,943</u>	<u>6,588,808</u>	<u>(436,467)</u>
<i>Total primary government</i>	<u>\$ 97,591,759</u>	<u>\$ 93,453,184</u>	<u>\$ 88,763,468</u>
Change in Net Position:			
<i>Governmental Activities</i>	\$ 46,875,752	\$ 7,693,520	\$ 24,487,302
<i>Business-type Activities</i>	<u>(2,364,145)</u>	<u>5,277,339</u>	<u>(1,002,340)</u>
<i>Total primary government</i>	<u>\$ 44,511,607</u>	<u>\$ 12,970,859</u>	<u>\$ 23,484,962</u>

Notes:

1. The County Nursing Home became a blended component unit due to the adoption of GASB Statement No. 61 in 2013.
2. GASB Statement No. 68 was adopted in 2015; prior year amounts were not restated.
3. GASB Statement No. 75 was adopted in 2018; prior year amounts were not restated.
4. GASB Statement No. 87 was adopted in 2022; prior year amounts were not restated.

2019	2018	2017	2016	2015	2014	2013
29,436,742	28,087,473	28,806,756	29,042,769	30,754,422	34,185,096	33,369,423
-	-	-	-	-	-	-
-	40,155	15,041	-	-	-	-
29,436,742	28,127,628	28,821,797	29,042,769	30,754,422	34,185,096	33,369,423
\$ 275,721,484	\$ 279,338,500	\$ 279,735,800	\$ 270,367,997	\$ 254,243,435	\$ 250,554,492	\$ 248,227,678
\$ (93,238,883)	\$ (76,088,488)	\$ (74,066,245)	\$ (69,780,690)	\$ (72,651,479)	\$ (73,065,158)	\$ (76,072,689)
(225,782)	(2,776,288)	(347,854)	(1,401,349)	(2,329,639)	(1,609,912)	(661,039)
\$ (93,464,665)	\$ (78,864,776)	\$ (74,414,099)	\$ (71,182,039)	\$ (74,981,118)	\$ (74,675,070)	\$ (76,733,728)
\$ 81,960,521	\$ 77,317,205	\$ 77,017,178	\$ 73,690,421	\$ 69,189,284	\$ 69,290,190	\$ 68,783,306
5,072,017	4,992,658	4,727,361	4,664,727	4,663,995	4,375,388	4,238,012
1,323,707	1,059,421	567,530	320,813	165,782	197,345	151,659
2,601,021	1,067,644	699,031	517,069	2,314,990	450,111	257,458
-	-	-	-	(3,000,000)	-	-
(1,200,012)	(1,970,493)	(1,855,036)	(1,372,200)	(2,470,893)	(811,544)	(750,331)
89,757,254	82,466,435	81,156,064	77,820,830	70,863,158	73,501,490	72,680,104
57,858	85,905	35,170	42,933	77,577	2,606	16,611
82,200	-	-	5,000	1,955,855	246,274	211,906
1,200,012	1,970,493	1,855,036	1,372,200	2,470,893	811,544	750,331
1,340,070	2,056,398	1,890,206	1,420,133	4,504,325	1,060,424	978,848
\$ 91,097,324	\$ 84,522,833	\$ 83,046,270	\$ 79,240,963	\$ 75,367,483	\$ 74,561,914	\$ 73,658,952
\$ (3,481,629)	\$ 6,377,947	\$ 7,089,819	\$ 8,040,140	\$ (1,788,321)	\$ 436,332	\$ (3,392,585)
1,114,288	(719,890)	1,542,352	18,784	2,174,686	(549,488)	317,809
\$ (2,367,341)	\$ 5,658,057	\$ 8,632,171	\$ 8,058,924	\$ 386,365	\$ (113,156)	\$ (3,074,776)

COUNTY OF ERIE, PENNSYLVANIA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING

	2022	2021	2020
General Fund:			
Nonspendable:			
Prepaid items	\$ 186,401	\$ 155,659	\$ 187,579
Restricted:			
Public Health Services	-	-	-
Library Services	-	-	-
Public Safety Fund	-	-	-
Community Services	-	-	-
Courts and Related Offices	-	-	-
Economic Development Revolving Loan Fund	8,000,000	8,000,000	8,000,000
Judicial Services	1,762,231	1,180,238	1,408,298
Community Redevelopment	-	1,115,329	963,079
Assigned:			
Children and Youth IV-E litigation	-	-	-
Municipal Projects	-	-	-
Public Safety Radio Project	-	-	-
Unassigned	54,505,944	50,927,149	49,001,736
<i>Total General Fund</i>	<u>64,454,576</u>	<u>61,378,375</u>	<u>59,560,692</u>
All Other Governmental Funds:			
Nonspendable:			
Prepaid items	258,875	102,878	175,034
Restricted:			
Road and Bridge improvements	6,864,037	5,969,574	4,906,440
Public Health Services	1,600	117,488	545,799
Emergency Services	1,233,785	2,136,908	1,691,731
Library Services	131,067	126,077	132,382
Child Support Enforcement	41,006	38,506	27,461
Airport Runaway Project	-	-	-
Debt Service Payments for GO Bonds	2,464,613	2,450,922	2,442,696
Pleasant Ridge Manor Loan	-	-	-
Land Preservation	17,790	17,790	17,790
Community Redevelopment	1,247,962	1,163,814	1,087,187
Recycling	272,082	283,082	287,082
Mental Health Services	22,487,770	16,109,143	14,104,476
Erie County Care Management	8,502,527	7,795,655	6,422,105
Community Grants	7,190,583	8,511,431	9,679,612
Public Safety Radio Project	-	-	939,088
ARPA Program	88,855	10,752	-
Assigned:			
Various capital grants	3,049,999	3,747,638	2,513,762
Unassigned	-	-	-
<i>Total All Other Governmental Funds</i>	<u>53,852,551</u>	<u>48,581,658</u>	<u>44,972,645</u>
<i>Total Governmental Funds</i>	<u>\$ 118,307,127</u>	<u>\$ 109,960,033</u>	<u>\$ 104,533,337</u>

2019	2018	2017	2016	2015	2014	2013
\$ 167,494	\$ 163,142	\$ 136,539	\$ 117,626	\$ 135,226	\$ 117,756	\$ 74,144
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	11,000,000	11,000,000
1,322,737	1,294,553	1,226,788	1,089,850	1,170,161	1,097,633	1,011,765
709,522	486,477	346,841	272,309	251,277	248,189	238,263
-	2,605,509	2,271,593	1,623,351	1,279,231	838,998	409,739
-	-	-	-	-	3,285	-
-	3,000,000	7,000,000	7,000,000	7,000,000	-	-
44,456,162	36,600,535	33,227,609	30,333,695	27,777,143	34,597,254	33,823,435
54,655,915	52,150,216	52,209,370	48,436,831	45,613,038	47,903,115	46,557,346
122,694	194,745	92,342	101,575	115,282	327,965	546,361
4,707,662	3,489,708	2,535,733	2,163,793	1,903,053	1,523,545	375,170
22,300	35,056	75,819	78,197	64,702	96,805	117,875
1,368,326	1,399,549	1,445,556	1,697,649	1,809,379	899,903	1,222,571
141,825	145,134	138,335	140,752	138,058	196,486	46,874
25,082	22,916	48,489	37,962	25,364	31,903	43,611
-	-	-	-	-	3,114,416	3,114,416
2,427,785	2,397,151	2,366,233	2,311,987	1,154,360	2,307,527	2,345,613
-	-	-	-	-	143,000	833,000
222,746	222,746	309,070	1,091,741	708,118	603,728	1,201,907
828,804	999,733	807,070	343,101	414,299	398,512	445,716
287,482	373,427	393,458	121,208	121,208	388,266	388,261
8,874,425	8,936,309	11,655,937	8,188,767	4,731,916	4,453,562	7,678,936
5,633,130	5,057,313	4,355,441	3,770,556	4,240,044	4,287,679	4,001,127
7,399,798	4,785,851	4,169,888	5,456,446	7,056,196	6,703,977	6,460,796
2,405,626	1,807,198	7,201,170	14,596,827	19,040,174	-	-
-	-	-	-	-	-	-
2,985,624	4,719,667	5,209,715	5,166,311	6,908,026	3,170,788	3,157,324
-	-	-	-	-	-	-
37,453,309	34,586,503	40,804,256	45,266,872	48,430,179	28,648,062	31,979,558
\$ 92,109,224	\$ 86,736,719	\$ 93,013,626	\$ 93,703,703	\$ 94,043,217	\$ 76,551,177	\$ 78,536,904

COUNTY OF ERIE, PENNSYLVANIA
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING

	2022	2021	2020
Revenues:			
Real estate taxes	\$ 87,552,128	\$87,433,725	\$ 82,462,451
Hotel tax	6,158,284	5,379,769	3,227,022
Federal, state, and municipal grants	300,244,058	318,541,771	250,297,884
Charges for services	38,026,021	38,861,990	34,465,854
Interest income	1,080,752	206,669	552,567
Other income	2,638,918	803,991	2,579,292
<i>Total Revenues</i>	<u>435,700,161</u>	<u>451,227,915</u>	<u>373,585,070</u>
Expenditures:			
Current:			
General government	22,069,910	20,158,620	19,921,275
Courts and related offices	26,770,198	26,243,585	25,950,947
Corrections	41,950,964	38,292,666	32,438,225
Community services	305,051,252	324,391,428	252,568,439
Public health	11,561,054	11,516,852	8,571,129
Public works	578,638	763,650	878,173
Library	7,467,876	7,393,229	6,859,729
Other	3,165	3,915	3,915
Capital outlay	4,270,170	1,174,823	4,938,601
Debt service:			
Lease Principal	270,662	-	-
Lease Interest	28,091	-	-
Bond issuance costs	-	-	-
Bond Principal	5,420,000	7,665,000	7,325,000
Bond Interest	1,485,561	1,857,541	2,205,524
<i>Total Expenditures</i>	<u>426,927,541</u>	<u>439,461,309</u>	<u>361,660,957</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	<u>8,772,620</u>	<u>11,766,606</u>	<u>11,924,113</u>
Other Financing Sources (Uses):			
Issuance of refunding bonds	-	-	-
Payments to refund bonds escrow agent	-	-	-
Note proceeds	-	-	-
Lease proceeds	540,094	-	-
Transfer in	34,936,703	43,817,243	33,051,662
Transfer out	(35,922,986)	(50,157,153)	(32,551,662)
Premium related to debt issuance	-	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>(446,189)</u>	<u>(6,339,910)</u>	<u>500,000</u>
Extraordinary item - loss on loan receivable	-	-	-
<i>Net Change in Fund Balances</i>	<u>\$ 8,326,431</u>	<u>\$ 5,426,696</u>	<u>\$ 12,424,113</u>
Debt services as a percentage of non-capital expenditures	1.63%	2.17%	2.67%

2019	2018	2017	2016	2015	2014	2013
\$ 81,923,095	\$ 77,283,789	\$ 76,853,739	\$ 73,240,659	\$ 69,598,802	\$ 69,461,662	\$ 68,637,354
5,072,017	4,992,658	4,727,361	4,664,727	4,663,995	4,375,388	4,238,012
212,084,776	217,410,437	218,806,581	210,104,555	193,768,358	189,145,809	187,294,858
34,199,966	33,800,435	32,107,422	31,220,673	29,720,655	27,223,587	27,563,397
1,323,707	1,059,421	567,530	320,813	165,782	197,345	151,659
2,601,021	1,067,644	699,031	517,069	2,314,990	450,111	257,458
337,204,582	335,614,384	333,761,664	320,068,496	300,232,582	290,853,902	288,142,738
19,256,394	20,033,717	18,606,696	18,078,674	17,303,301	17,405,718	15,804,698
24,459,855	23,750,694	23,661,249	23,140,987	23,094,436	22,872,105	22,182,559
37,870,199	35,691,211	34,924,680	35,529,548	35,683,988	36,109,217	34,897,616
217,467,259	226,099,376	219,664,133	210,619,327	196,015,720	193,081,567	194,032,300
7,848,009	6,374,761	6,326,683	6,414,528	5,974,006	5,801,126	6,182,499
773,450	726,950	724,320	717,491	758,402	650,069	696,221
6,956,073	6,633,592	6,832,898	6,735,733	6,242,774	6,337,487	6,262,188
3,915	3,940	3,915	9,081	8,344	8,264	6,910
6,461,755	11,090,424	11,418,521	7,282,217	2,614,157	782,110	717,928
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	119,205	-	109,037	-	82,022
7,060,000	6,765,000	30,975,000	7,280,000	6,310,000	6,170,000	5,945,000
2,475,156	2,751,133	3,043,000	3,228,224	2,671,838	2,810,422	2,899,953
330,632,065	339,920,798	356,300,300	319,035,810	296,786,003	292,028,085	289,709,894
6,572,517	(4,306,414)	(22,538,636)	1,032,686	3,446,579	(1,174,183)	(1,567,156)
-	-	20,220,000	-	17,380,000	-	12,457,211
-	-	-	-	-	-	(12,514,108)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
35,520,171	35,702,173	34,423,204	31,746,500	48,591,527	30,441,242	30,770,664
(36,720,183)	(37,672,666)	(36,278,240)	(33,118,700)	(51,062,420)	(31,252,786)	(31,520,995)
-	-	3,483,595	-	2,136,354	-	-
(1,200,012)	(1,970,493)	21,848,559	(1,372,200)	17,045,461	(811,544)	(807,228)
-	-	-	-	(3,000,000)	-	-
\$ 5,372,505	\$ (6,276,907)	\$ (690,077)	\$ (339,514)	\$ 14,045,461	\$ (1,985,727)	\$ (2,374,384)
2.94%	2.89%	9.90%	3.37%	3.09%	3.08%	3.09%

COUNTY OF ERIE, PENNSYLVANIA
PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Function/Program:			
Governmental Activities			
General government	\$ 3,787,477	\$ 3,807,282	\$ 5,884,586
Courts and related offices	9,967,358	9,893,879	9,650,429
Corrections	9,929,316	9,884,613	8,926,019
Community services	319,510,369	322,853,585	251,998,774
Public health	9,042,812	8,647,156	6,119,382
Public works	648,951	633,563	631,568
Library	<u>1,765,264</u>	<u>1,683,683</u>	<u>1,552,980</u>
<i>Total Governmental Activities</i>	<u>354,651,547</u>	<u>357,403,761</u>	<u>284,763,738</u>
Business-type Activity - Court owned long-term care facility	<u>24,327,681</u>	<u>22,109,738</u>	<u>28,594,269</u>
<i>Total Primary Government</i>	<u><u>\$ 378,979,228</u></u>	<u><u>\$ 379,513,499</u></u>	<u><u>\$ 313,358,007</u></u>

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 3,840,607	\$ 4,088,792	\$ 3,798,526	\$ 3,470,980	\$ 3,609,388	\$ 3,588,221	\$ 3,150,424
9,921,344	9,571,861	9,571,093	9,048,431	9,299,868	9,200,704	10,034,943
10,616,649	10,846,924	9,692,835	10,675,793	11,324,901	11,423,086	10,889,440
214,315,831	218,961,745	220,280,967	210,538,264	191,878,246	185,003,852	183,391,494
5,235,709	5,295,550	5,080,120	5,243,826	5,034,247	4,810,879	5,048,870
727,014	734,037	809,017	724,910	718,212	723,270	745,885
1,627,588	1,711,963	1,681,445	1,623,024	1,624,151	1,619,384	1,597,199
<u>246,284,742</u>	<u>251,210,872</u>	<u>250,914,003</u>	<u>241,325,228</u>	<u>223,489,013</u>	<u>216,369,396</u>	<u>214,858,255</u>
<u>29,436,742</u>	<u>28,127,628</u>	<u>28,821,797</u>	<u>29,042,769</u>	<u>30,754,422</u>	<u>34,185,096</u>	<u>33,369,423</u>
<u>\$ 275,721,484</u>	<u>\$ 279,338,500</u>	<u>\$ 279,735,800</u>	<u>\$ 270,367,997</u>	<u>\$ 254,243,435</u>	<u>\$ 250,554,492</u>	<u>\$ 248,227,678</u>

REVENUE CAPACITY

COUNTY OF ERIE, PENNSYLVANIA
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS

<u>Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Agricultural Property</u>
2013	\$ 9,570,146,098	\$ 2,774,357,520	\$ 338,780,027	\$ 1,113,548,100
2014	9,602,788,473	2,810,863,512	339,285,132	1,117,924,032
2015	9,644,232,897	2,892,842,401	340,295,850	1,118,295,617
2016	9,675,819,454	2,925,772,605	358,366,573	1,123,699,175
2017	9,715,845,330	3,013,349,619	366,154,804	1,128,120,210
2018	9,757,890,186	2,996,478,404	366,199,639	1,137,892,789
2019	9,794,619,077	2,981,107,602	366,753,198	1,139,811,917
2020	9,830,963,688	3,038,010,293	381,038,917	1,146,136,323
2021	9,902,751,464	3,120,076,309	384,362,600	1,153,679,691
2022	9,932,022,995	3,164,462,603	387,454,646	1,158,661,642

Total assessed value as of January 1 of the current year includes exoneration and additions from the previous year. *Source: 2013-2022 County of Erie Assessment Bureau*

Other		Total Assessed Value	Total Market Value	Assessed to Market Value	Total Direct Tax Rate
\$	-	\$ 13,796,831,745	\$ 13,796,831,745	100.00%	0.00493
	-	13,870,861,149	13,870,861,149	100.00%	0.00493
	-	13,995,666,765	14,533,402,663	96.30%	0.00493
	-	14,083,657,807	14,824,902,954	95.00%	0.00516
	-	14,223,469,963	14,924,942,249	95.30%	0.00541
	-	14,258,461,018	15,200,917,930	93.80%	0.00541
	-	14,282,291,794	15,977,968,058	89.39%	0.00571
	-	14,396,149,221	15,977,968,058	90.10%	0.00571
	-	14,560,570,064	17,887,678,211	81.40%	0.00596
	-	14,642,601,866	20,594,376,773	71.10%	0.00596

COUNTY OF ERIE, PENNSYLVANIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(RATES PER 1\$ OF ASSESSED VALUE)

	Year Taxes are Payable				
	2022	2021	2020	2019	2018
County:					
Erie County Operating Millage	0.00596	0.00596	0.00571	0.00571	0.00541
Township or Borough:					
Albion Boro	0.005750	0.005750	0.005500	0.0055000	0.0055000
Amity Township	0.001500	0.001500	0.001500	0.0015000	0.0015000
Concord Township	0.000226	0.000226	0.000206	0.0002060	0.0020600
Conneaut Township	0.001000	0.001000	0.001000	0.0010000	0.0010000
Corry City	0.010350	0.010350	0.010350	0.0103500	0.1035000
Cranesville Boro	0.003000	0.002000	0.001750	0.0014300	0.1430000
Edinboro Boro	0.004500	0.004500	0.004500	0.0045000	0.0045000
Elgin Boro	0.000650	0.000650	0.000650	0.0006500	0.0006500
Elk Creek Township	0.003650	0.003000	0.003000	0.0030000	0.0030000
Erie City	0.013120	0.013120	0.013120	0.0116500	0.0116400
Fairview Township	0.000750	0.000750	0.000750	0.0007500	0.0007500
Franklin Township	0.002700	0.002700	0.002700	0.0027000	0.0027000
Girard Boro	0.001890	0.001890	0.001890	0.0018900	0.0018900
Girard Township	0.001200	0.001200	0.001200	0.0012000	0.0093200
Greene Township	0.001990	0.001990	0.001990	0.0019900	0.0017900
Greenfield Township	0.002340	0.002340	0.002340	0.0023400	0.0023400
Harborcreek Township	0.000966	0.000966	0.000966	0.0009663	0.0009663
Lake City Boro	0.003350	0.003150	0.003150	0.0031500	0.0031500
Lawrence Park Township	0.004550	0.003550	0.003550	0.0035500	0.0032500
LeBouef Township	0.001500	0.001500	0.001000	0.0007500	0.0007500
McKean Township	0.000950	0.000950	0.000950	0.0009500	0.0009500
McKean Boro	0.000940	0.000940	0.000940	0.0009400	0.0035554
Millcreek Township	0.003554	0.003554	0.003555	0.0035537	0.0010700
Mill Village Boro	0.001070	0.001070	0.001070	0.0010700	0.0048390
North East Boro - 1st Ward	0.004839	0.004839	0.004839	0.0048390	0.0048390
North East Boro - 2nd Ward	0.004839	0.004839	0.004839	0.0048390	0.0011140
North East Township	0.001114	0.001114	0.001114	0.0011140	0.0010790
Platea Boro	0.001079	0.001079	0.001079	0.0010790	0.0003525
Springfield Township	0.000500	0.000500	0.000500	0.0005000	0.0005900
Summit Township	0.000590	0.000590	0.000590	0.0005900	0.0080600
Union City Boro - 1st Ward	0.008810	0.008810	0.008060	0.0080600	0.0080600
Union City Boro - 2nd Ward	0.008810	0.008810	0.008060	0.0080600	0.0010000
Union Township	0.001200	0.001200	0.001200	0.0010000	0.0022000
Venango Township	0.002200	0.002200	0.002200	0.0022000	0.0022000
Washington Township	0.001000	0.001000	0.001000	0.0010000	0.0010000
Waterford Boro	0.002800	0.002700	0.002600	0.0025000	0.0025000
Waterford Township	0.001990	0.001990	0.001990	0.0019900	0.0019900
Wattsburg Boro	0.004000	0.004000	0.004000	0.0040000	0.0026000
Wayne Township	0.001240	0.001240	0.001240	0.0012400	0.0012400
Wesleyville Boro	0.007971	0.007971	0.007971	0.0076380	0.0076380

Year Taxes are Payable				
2017	2016	2015	2014	2013
0.00541	0.00516	0.00493	0.00493	0.00493
0.0035000	0.0035000	0.0035000	0.0016990	0.0016990
0.0015000	0.0014150	0.0014150	0.0014150	0.0014150
0.0002060	0.0002060	0.0002060	0.0002060	0.0002060
0.0010000	0.0010000	0.0010000	0.0005000	0.0003070
0.0103500	0.0086000	0.0086000	0.0076500	0.0076500
0.0013800	0.0013800	0.0013400	0.0013000	0.0011600
0.0045000	0.0045000	0.0045000	0.0045000	0.0045000
0.0006500	0.0006500	0.0006500	0.0006500	0.0006500
0.0030000	0.0030000	0.0023500	0.0023500	0.0021200
0.0116500	0.0116500	0.0116500	0.0108500	0.0108500
0.0007500	0.0007500	0.0007500	0.0007500	0.0007500
0.0027000	0.0027000	0.0027000	0.0027000	0.0027000
0.0018900	0.0018900	0.0018900	0.0018900	0.0013900
0.0009320	0.0009320	0.0009320	0.0009320	0.0009320
0.0017900	0.0017900	0.0017900	0.0017900	0.0017900
0.0023400	0.0023400	0.0023400	0.0023400	0.0020900
0.0009663	0.0009663	0.0009663	0.0009663	0.0009663
0.0031500	0.0031500	0.0031500	0.0031500	0.0026500
0.0032500	0.0032500	0.0030000	0.0025000	0.0022000
0.0006500	0.0005500	0.0004500	0.0004000	0.0003800
0.0009500	0.0009500	0.0009500	0.0009500	0.0009000
0.0009400	0.0009400	0.0009400	0.0009400	0.0009400
0.0035537	0.0035537	0.0035537	0.0035537	0.0025537
0.0010700	0.0010700	0.0010700	0.0010700	0.0010700
0.0048390	0.0048390	0.0048390	0.0044500	0.0044500
0.0048939	0.0048390	0.0048390	0.0044500	0.0044500
0.0011140	0.0011140	0.0011140	0.0010400	0.0010400
0.0010790	0.0010790	0.0010790	0.0010790	0.0010790
0.0003525	0.0003525	0.0003525	0.0003525	0.0003525
0.0005900	0.0005900	0.0005900	0.0005900	0.0005900
0.0080600	0.0070600	0.0070600	0.0060600	0.0060600
0.0080600	0.0070600	0.0070600	0.0060600	0.0060600
0.0010000	0.0010000	0.0010000	0.0010000	0.0010000
0.0022000	0.0022000	0.0022000	0.0022000	0.0022000
0.0010000	0.0010000	0.0010000	0.0010000	0.0008200
0.0025000	0.0024000	0.0024000	0.0024000	0.0024000
0.0019900	0.0019900	0.0019900	0.0019900	0.0019900
0.0026000	0.0026000	0.0026000	0.0026000	0.0026000
0.0012400	0.0012400	0.0012400	0.0012400	0.0012400
0.0076380	0.0076380	0.0076380	0.0076380	0.0071380

COUNTY OF ERIE, PENNSYLVANIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(RATES PER 1\$ OF ASSESSED VALUE)
(CONTINUED)

	Year Taxes are Payable				
	2022	2021	2020	2019	2018
School District:					
Corry Area	0.015382	0.014781	0.014555	0.0145610	0.0107400
Erie City	0.018508	0.017719	0.017203	0.0172029	0.0167899
Fairview	0.019687	0.019160	0.018740	0.0182800	0.0176700
Fort LeBoeuf	0.013340	0.012810	0.012350	0.0123500	0.0123500
General McLane	0.013840	0.013240	0.012980	0.0129800	0.0128500
Girard	0.019040	0.018360	0.018040	0.0180400	0.0174500
Harborcreek Township	0.018710	0.018020	0.017520	0.0169500	0.0164700
Iroquois	0.024558	0.023933	0.022933	0.0220526	0.0220526
Millcreek Township	0.015352	0.014761	0.014500	0.0145003	0.0141054
North East	0.014910	0.014360	0.014090	0.0140900	0.0140900
Northwestern	0.011200	0.010926	0.014090	0.0140900	0.0140900
Union City Area	0.011830	0.011520	0.011810	0.0114100	0.0112200
Wattsburg Area	0.021328	0.020580	0.019779	0.0197786	0.0191858

Year Taxes are Payable				
2017	2016	2015	2014	2013
0.0139680	0.0134570	0.0131310	0.0131310	0.0137960
0.0167064	0.0166233	0.0166233	0.0166233	0.0166233
0.0173700	0.0168800	0.0161100	0.0161100	0.0156454
0.0123500	0.0119800	0.0113900	0.0113900	0.0113900
0.0127300	0.0127300	0.0122600	0.0122600	0.0119300
0.0168600	0.0162600	0.0152800	0.0152800	0.0148300
0.0159700	0.0157500	0.0149100	0.0149100	0.0143100
0.0212726	0.0204826	0.0192026	0.0192026	0.0186126
0.0138288	0.0137788	0.0132766	0.0132766	0.0126700
0.0139500	0.0136900	0.0133700	0.0133700	0.0132400
0.0099900	0.0099900	0.0093893	0.0093893	0.0091065
0.0113600	0.0109700	0.0102300	0.0102300	0.0106200
0.0185729	0.0174738	0.0154738	0.0154738	0.0145140

COUNTY OF ERIE, PENNSYLVANIA
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND TEN YEARS AGO

<u>Taxpayer - Type of Real Property</u>	<u>December 31, 2022</u>			<u>December 31, 2013</u>		
	<u>Estimated Actual Values of Real Property</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>	<u>Estimated Actual Values of Real Property</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
Presque Isle Downs	\$ 123,567,974	1	0.84%	\$ 147,639,300	1	1.31%
Millcreek Mall Corp	115,345,700	2	0.79%	115,345,700	2	1.02%
Baldwin Brothers Inc	110,237,858	3	0.75%	34,236,886	3	0.30%
Scott Development Co	83,188,520	5	0.57%	79,162,900	4	0.70%
Riedman Properties EP II LLC	74,812,165	6	0.51%	-	-	-
Erie Insurance (Indemnity)	108,866,884	4	0.74%	37,625,801	9	0.33%
Wal-Mart Real Estate Business Trust	53,730,700	8	0.37%	44,140,631	5	0.39%
Millcreek Community Hospital	59,607,265	7	0.41%	45,725,340	-	-
Westinghouse Air Brake Technologies	44,105,250	9	0.30%	-	-	-
Lord Corporation	38,444,400	10	0.26%	-	-	-
Pastore Inc.	-	-	-	41,105,000	6	0.36%
Developers Diversified Realty	-	-	-	34,716,100	7	0.31%
General Electric Company	-	-	-	-	10	-
Manelo Developers	-	-	-	22,173,220	8	0.20%
Total	<u>\$ 811,906,716</u>		<u>5.54%</u>	<u>\$ 601,870,878</u>		<u>4.93%</u>
Assessed Value of All Properties	<u>\$ 14,642,601,886</u>			<u>\$ 11,282,268,586</u>		

COUNTY OF ERIE, PENNSYLVANIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

<u>Year</u>	<u>Tax Levied for the Fiscal Year (Original Levy)</u>	<u>Adjustments</u>	<u>Total Adjusted Tax Levy</u>	<u>Face Value of Current Collections</u>	<u>Percent of Current Tax Collection</u>	<u>Total Delinquent/ Liened Collections</u>	<u>Total Collections net of refunds</u>	<u>Total Collection as Percentage of Adjusted Tax (After Refunds)</u>
2013	\$ 68,018,418	\$ (249,755)	\$ 67,768,663	\$ 64,703,847	95.48%	\$ 2,361,154	\$ 67,065,001	98.96%
2014	68,383,383	(153,126)	68,230,257	65,273,980	95.67%	2,204,769	67,478,749	98.90%
2015	68,998,675	(151,111)	68,847,564	64,756,661	94.06%	2,160,282	66,916,943	97.20%
2016	72,671,673	(118,981)	72,552,692	68,213,291	94.02%	2,252,586	70,465,876	97.12%
2017	76,949,011	(389,185)	76,559,826	71,961,646	93.99%	4,347,007	76,308,653	99.67%
2018	77,138,312	(289,618)	76,848,694	72,230,589	93.99%	1,714,489	73,945,079	96.22%
2019	81,551,926	(77,292)	81,474,634	76,659,386	94.09%	2,653,155	79,312,541	97.35%
2020	82,202,052	(63,990)	82,138,062	78,542,252	95.62%	20,390	78,562,642	95.65%
2021	86,323,585	(118,349)	86,205,236	82,931,419	96.20%	1,300	82,932,719	96.20%
2022	86,780,966	(112,066)	86,668,900	80,440,389	92.81%	3,024,835	83,465,224	96.30%

DEBT CAPACITY

COUNTY OF ERIE, PENNSYLVANIA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

<u>Year</u>	<u>Net General Obligation Bonds</u>	<u>Note Payable</u>	<u>Total</u>	<u>% of Personal Income (a)</u>	<u>% of Actual Value (b) of Taxable Property</u>	<u>Total Assessed Value</u>	<u>Population</u>	<u>Personal Income (Thousands of Dollars)</u>
2013	\$ 74,725,107	\$ -	\$ 74,725,107	0.71%	0.54%	\$ 13,796,831,745	280,294	\$ 10,575,326
2014	68,260,983	-	68,260,983	0.64%	0.49%	13,870,861,149	278,443	10,636,535
2015	81,137,555	-	81,137,555	0.72%	0.58%	13,995,666,765	278,045	11,240,073
2016	73,420,895	-	73,420,895	0.65%	0.52%	14,083,657,807	279,858	11,259,431
2017	65,799,727	-	65,799,727	0.57%	0.46%	14,223,469,963	280,566	11,499,800
2018	58,202,198	-	58,202,198	0.48%	0.41%	14,258,461,018	275,972	12,216,339
2019	50,309,668	-	50,309,668	0.40%	0.35%	14,282,291,764	269,728	12,509,662
2020	42,152,138	-	42,152,138	0.31%	0.29%	14,396,149,221	269,428	13,565,234
2021	33,699,957	-	33,699,957	0.24%	0.23%	14,530,033,409	264,280	14,189,543
2022	27,628,823	-	27,628,823	*	*	14,642,601,866	271,903	*

(a) Population and personal income data can be found on page

(b) Property data can be found on page

*Information not yet available

Note: Total Assessed Value as of 12/31 of the current year includes exonerations and additions. Net general obligation bonds includes bonds outstanding as well as deferred premiums and discounts

COUNTY OF ERIE, PENNSYLVANIA
DIRECT AND OVERLAPPING DEBT
DECEMBER 31, 2022

<u>Governmental Unit</u>	<u>Total Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Cities:			
Corry	\$ 23,091,454	100.00%	\$ 23,091,454
Erie	158,616,251	100.00%	158,616,251
Total Cities	181,707,705		181,707,705
Boroughs:			
Albion	7,039,763	100.00%	7,039,763
Cranesville	-	100.00%	-
Edinboro	6,180,490	100.00%	6,180,490
Elgin	-	100.00%	-
Girard	4,874,531	100.00%	4,874,531
Lake City	4,211,325	100.00%	4,211,325
McKean	-	100.00%	-
Mill Village	-	100.00%	-
North East	21,800,448	100.00%	21,800,448
Platea	-	100.00%	-
Union City	-	100.00%	-
Waterford	-	100.00%	-
Wattsburg	646,158	100.00%	646,158
Wesleyville	118,607	100.00%	118,607
Total Boroughs	44,871,322		44,871,322
Townships:			
Amity	115,714	100.00%	115,714
Concord	-	100.00%	-
Conneaut	-	100.00%	-
Elk Creek	61,833	100.00%	61,833
Fairview	-	100.00%	-
Franklin	124,404	100.00%	124,404
Girard	-	100.00%	-
Greene	15,695,198	100.00%	15,695,198
Greenfield	70,745	100.00%	70,745
Haborcreek	474,453	100.00%	474,453
Lawrence Park	1,000,565	100.00%	1,000,565
LeBoef	110,444	100.00%	110,444
McKean	415,050	100.00%	415,050
Millcreek	1,136,194	100.00%	1,136,194
North East	3,321,658	100.00%	3,321,658
Springfield	219,000	100.00%	219,000
Summit	-	100.00%	-
Union	148,908	100.00%	148,908
Venango	21,673	100.00%	21,673
Washington	1,236,214	100.00%	1,236,214
Waterford	-	100.00%	-
Wayne	17,767	100.00%	17,767
Total Townships	24,169,820		24,169,820

COUNTY OF ERIE, PENNSYLVANIA
DIRECT AND OVERLAPPING DEBT (CONTINUED)
DECEMBER 31, 2022

<u>Governmental Unit</u>	<u>Total Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
School Districts;			
City of Erie	230,960,146	100.00%	230,960,146
Corry Area	35,982,454	100.00%	35,982,454
Fairview	30,774,989	100.00%	30,774,989
Ft. LeBoeuf	37,035,370	100.00%	37,035,370
General McLane	38,750,107	100.00%	38,750,107
Girard	46,337,494	100.00%	46,337,494
Harborcreek	37,443,066	100.00%	37,443,066
Iroquois Area	24,208,017	100.00%	24,208,017
Millcreek	114,617,344	100.00%	114,617,344
North East	44,413,035	100.00%	44,413,035
Northwestern	24,831,006	100.00%	24,831,006
Union City Area	20,406,425	100.00%	20,406,425
Wattsburg Area	<u>27,767,519</u>	100.00%	<u>27,767,519</u>
Total School Districts	<u>713,526,972</u>		<u>713,526,972</u>
Subtotal overlapping debt	964,275,819		964,275,819
Total direct debt			<u>27,628,823</u>
Total direct and overlapping debt	<u>\$ 964,275,819</u>		<u>\$ 991,904,642</u>

COUNTY OF ERIE, PENNSYLVANIA
 RATIOS OF GENERAL OBLIGATION BONDS
 OUTSTANDING AND LEGAL DEBT MARGIN
 LAST TEN YEARS
 ACCRUAL BASIS OF ACCOUNTING

	2013	2014	2015	2016
Assessed value of property	\$ 13,796,831,745	\$ 13,870,861,149	\$ 13,995,666,765	\$ 14,083,657,807
Percentage of net debt to assessed value	0.52%	0.48%	0.57%	0.50%
Population	280,294	278,443	27,045	279,858
Net bonded debt per capita in dollars	258	237	288	254
Debt limit 300% of average gross revenue	988,408,681	976,028,883	975,556,650	1,002,891,717
Amount of debt applicable to limit:				
General obligation bonds	74,725,107	68,260,983	81,137,555	73,420,895
Less: resources restricted to paying debt service	(2,345,613)	(2,370,527)	(1,154,360)	(2,311,987)
Total net debt applicable to limit	\$ 72,379,494	\$ 65,890,456	\$ 79,983,195	\$ 71,108,908
Legal debt margin	\$ 916,029,187	\$ 910,138,427	\$ 895,573,455	\$ 931,782,809
Total net debt applicable to the limit as a percentage of debt limit	7.32%	6.75%	8.20%	7.09%

*Assessed value as of 12/31 of the current year includes exonerations and additions.

2017	2018	2019	2020	2021	2022
\$ 14,223,469,963	\$ 14,258,461,018	\$ 14,282,291,794	\$ 14,396,149,221	\$ 14,560,570,064	\$ 14,642,601,866
0.45%	0.39%	0.34%	0.28%	0.22%	0.17%
280,566	275,972	269,728	269,428	266,096	271,903
226	199	178	147	118	93
1,042,585,418	1,075,484,016	1,092,193,977	1,131,762,555	1,168,139,886	1,333,140,091
65,799,727	58,202,198	50,309,668	42,152,138	33,836,003	27,628,823
(2,366,233)	(2,397,151)	(2,427,785)	(2,442,696)	(2,450,922)	(2,464,613)
\$ 63,433,494	\$ 55,805,047	\$ 47,881,883	\$ 39,709,442	\$ 31,385,081	\$ 25,164,210
\$ 979,151,924	\$ 1,019,678,969	\$ 1,044,312,094	\$ 1,092,053,113	\$ 1,136,754,805	\$ 1,307,975,881
6.08%	5.19%	4.38%	3.51%	2.69%	1.89%

COUNTY OF ERIE, PENNSYLVANIA
DEBT STATEMENT PURSUANT TO LOCAL GOVERNMENT UNIT DEBT ACT
AS OF DECEMBER 31, 2022

	<u>Electoral</u>	<u>Nonelectoral</u>	<u>Lease Rental</u>
Gross incurred debt:			
Bonds outstanding:			
2005 G.O. Bond	\$ -	\$ 1,970,000	\$ -
2012 G.O Bond	-	515,000	-
2014 Erie County Convention Center Authority (guarantee only)	-	-	30,282,000
2015 G.O Bond	-	10,770,000	-
2015 Erie County Convention Center Authority (guarantee only)	-	-	29,155,000
2017 G.O Bond	-	12,060,000	-
	<u>-</u>	<u>25,315,000</u>	<u>59,437,000</u>
Total gross incurred debt	-	25,315,000	59,437,000
Credits and exclusions:			
Less:			
Sinking funds, reserve accounts, bond proceeds	-	2,464,613	204,626
Current appropriations	-	-	-
Uncollected special assessments	-	-	-
Delinquent taxes and liens	-	5,617,772	-
Surplus cash	-	-	-
Solvent debts due	-	-	-
Indemnifying insurance	-	-	-
Self-liquidating debt	-	-	29,155,000
	<u>-</u>	<u>8,082,385</u>	<u>29,359,626</u>
Total credits and exclusions	-	8,082,385	29,359,626
Net indebtedness	<u>\$ -</u>	<u>\$ 17,232,615</u>	<u>\$ 30,077,374</u>
Percentage of Legal Debt Limitation	<u>0.00%</u>	<u>1.29%</u>	<u>1.69%</u>
Aggregate principal amount of bonds or notes being issued or evidencing lease rental debt:			
Pleasant Ridge Manor letter of credit			<u>\$ 700,000</u>

COUNTY OF ERIE, PENNSYLVANIA
BORROWING BASE CERTIFICATE
AS OF DECEMBER 31, 2022

	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total revenue received	\$ 401,958,531	\$ 471,956,935	\$ 459,259,733
Less:			
State and federal subsidies and reimbursements related to a particular project financed by debt	-	-	-
Revenues, receipts, and assessments pledged for self-liquidating debt	-	-	-
Interest on moneys in sinking fund pledged for debt	14,211	8,035	12,862
Grants and gifts-in-aid measured by construction of specific projects	-	-	-
Nonrecurring receipts	<u>-</u>	<u>-</u>	<u>-</u>
Subtotals	<u>\$ 401,944,320</u>	<u>\$ 471,948,900</u>	<u>459,246,871</u>
Total net revenues			<u>\$ 1,333,140,091</u>
Borrowing base - total net revenues divided by three			<u>\$ 444,380,030</u>
Applicable debt limitations - nonelectoral (300%)			<u>\$ 1,333,140,091</u>
Nonelectoral plus lease rentals (400%)			<u>\$ 1,777,520,121</u>

DEMOGRAPHIC AND ECONOMIC INFORMATION

COUNTY OF ERIE, PENNSYLVANIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Year	Population (1)	Total Personal Income (2) (thousands of dollars)	Per Capita Personal Income (2)	Elementary/Secondary School Enrollment (3)			Employed Persons (4)	Unemployment Rate(4)	Number of Building Permits (5)
				Public	Private	Total			
2013	280,294	\$ 10,575,326	\$ 37,729	41,198	5,589	46,787	131,700	6.40%	2,593
2014	278,443	10,636,535	38,200	39,604	5,860	45,464	131,200	5.50%	2,507
2015	278,045	11,240,073	40,425	39,656	5,047	44,703	127,300	5.50%	2,424
2016	279,858	11,259,431	40,764	39,249	5,282	44,531	125,300	6.60%	2,501
2017	280,566	11,499,800	41,887	39,802	5,123	44,925	123,600	5.50%	2,534
2018	275,972	12,216,339	44,903	38,556	5,738	44,294	125,400	4.70%	2,108
2019	269,728	12,509,662	48,007	37,825	6,104	43,929	122,500	5.00%	2,616
2020	269,428	13,565,234	51,529	36,436	4,128	40,564	114,900	8.80%	2,460
2021	266,096	14,189,543	54,054	33,557	2,024	35,581	115,400	5.90%	2,418
2022	271,903	*	52,747	36,151	2,871	39,022	121,300	4.60%	2,615

*Information not yet available.

Sources:

- (1) 2013-2022 PA Department of Labor and Industry
- (2) U.S. Department of Commerce, Bureau of Economic Analysis
- (3) PA Department of Education, Bureau of Information Systems
- (4) Erie Regional Chamber and Growth Partnership
- (5) Erie County Assessment Bureau

COUNTY OF ERIE, PENNSYLVANIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

Employer (A)	Product or Service	December 31, 2022			December 31, 2013		
		(B) Employees	Rank	Percentage of Total County Employment	(C) Employees	Rank	Percentage of Total County Employment
Erie Indemnity Company	Insurance	6,000	1	4.95%	4,450	2	3.38%
General Electric Company	Locomotive Manufacturing	-	-	-	5,500	1	4.18%
UPMC Hamot Medical Center	Health Related	3,800	2	3.13%	3,100	3	2.36%
Pennsylvania State Government	State Government	3,000	4	2.47%	2,500	5	1.90%
Wal-Mart	Department/Grocery Store	1,866	6	1.54%	2,000	6	1.52%
Saint Vincent Health Center	Health Related	2,596	5	2.14%	2,864	4	2.18%
Wabtec US Rail Inc.	Locomotive Manufacturing	3,100	3	2.56%	-	-	-
United States Government	Federal Government	1,700	7	1.40%	1,200	8	0.91%
County of Erie	County Government	1,190	9	0.98%	1,098	9	0.83%
School District of the City of Erie	Public Education	1,305	8	1.08%	1,300	7	0.99%
Regional Health Services	Health Related	850.00	10	0.70%	-	-	-
Dr. Gertrude A Barger Center Inc.	Public Health	-	-	-	816	10	0.62%
Total	Total	<u>25,407</u>		<u>20.95%</u>	<u>24,828</u>		<u>18.87%</u>

(A) Source: Center for Workforce Information, Erie City Office Pennsylvania Department of Labor and Industry

(B) 2022 Erie Regional Chamber and Growth Partnership

(C) Erie County Planning Department generalization for relative comparison

OPERATING INFORMATION

COUNTY OF ERIE, PENNSYLVANIA
 FULL-TIME EQUIVALENT COUNTY GOVERNMENT
 EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN YEARS

<u>Function/Program</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Government	197	243	297	293	152	154	152	151	163	97
Courts and Court Related	291	250	247	267	257	257	251	250	267	284
Corrections	201	178	153	185	311	311	296	291	292	277
Community Service	274	358	330	325	305	315	314	287	301	310
Library	110	104	98	65	65	62	59	56	83	66
Public Health	79	120	108	72	68	67	64	64	64	64
Total	<u>1,152</u>	<u>1,253</u>	<u>1,233</u>	<u>1,207</u>	<u>1,158</u>	<u>1,166</u>	<u>1,136</u>	<u>1,099</u>	<u>1,170</u>	<u>1,098</u>

Source: County of Erie Workforce Report

COUNTY OF ERIE, PENNSYLVANIA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2022	2021	2020	2019	2018
General Government:					
Receipts written	10,073	10,057	9,946	10,667	14,780
Checks written	26,485	25,849	26,035	27,849	39,450
Purchase orders issued	1,763	2,807	2,437	2,698	2,506
Ordinances and resolutions passed	246	204	195	190	199
Entry for claims	19,483	21,314	20,994	21,793	12,588
Licenses issued (fishing, hunting dog, doe, bingo)	25,502	25,842	29,049	30,387	31,146
Building permits monitored	2,615	2,418	2,460	2,616	2,108
Total taxable parcels	116,813	116,746	116,746	117,253	117,423
Total exempt parcels	4,958	5,052	4,882	5,170	4,898
Retired employees	57	43	52	59	56
Pension fund transactions processed	331	381	272	424	334
Full-time employees	1,152	1,211	1,200	1,162	1,158
Part-time employees	38	42	43	45	49
Deeds, mortgages, other recorded	27,016	34,369	28,400	27,105	26,823
Coroner cases	829	763	695	610	594
Autopsies performed	70	93	86	73	111
Discharged military personnel registered with Veterans Affairs	240	131	172	260	226
Bids received and opened	26	43	45	26	48
Special audits conducted	16	17	15	15	15
Fraud hotline calls received	7	7	8	19	9
Courts and Court Related:					
New criminal cases:	3,232	2,984	2,627	3,139	3,305
Jury trials	46	59	28	51	73
Non-jury trials	17	17	6	19	23
Criminal sentencing	3,434	2,069	2,320	787	920
New civil cases:	1,693	1,222	1,203	1,530	2,952
Jury trials	6	2	-	1	5
Non-jury trials	4	3	4	4	18
Traffic citations (in thousands)	28	24,776	20,249	25	26
Summary offenses (in thousands)	8	8,782	472	8	1
Civil cases filled (in thousands [District Justice Offices])	2	2,462	2,084	3	3
Criminal cases filed (in thousands [District Justice offices])	5	5,229	4,559	5	5
New support petitions filed	1,589	1,594	230	2,028	1,885
Modified petitions filed	1,534	1,611	66	1,876	1,907
Support court hearings	2,617	196	70	5,932	6,780
Contempt court hearings	202	68	257	343	327
Support Contempt court hearings	972	597	595	1,372	1,281
Support collections (in millions)	27	29	31	31	32
Warrants processed	1,625	2,169	2,243	3,304	3,209
Civil papers served	2,499	3,547	2,511	5,540	12,410
Sheriff sales	163	243	153	776	407

2017	2016	2015	2014	2013
11,161	10,265	10,866	10,818	12,848
42,172	32,615	51,166	43,063	42,564
2,587	2,231	2,901	3,034	2,937
211	235	223	253	209
11,786	11,744	12,251	12,576	12,570
33,760	33,575	34,408	28,202	38,026
2,534	2,501	2,424	2,507	2,593
117,411	117,230	117,489	117,489	117,805
4,904	4,829	4,740	4,701	4,812
53	47	65	56	47
290	312	335	334	272
1,166	1,136	1,099	1,108	1,098
55	60	60	62	61
28,210	28,543	28,561	28,055	3,356
617	580	531	530	486
109	107	131	111	124
229	240	312	199	132
51	46	50	36	34
15	15	14	13	7
8	12	26	15	17
<hr/>				
3,808	3,809	3,397	3,323	3,484
109	91	91	97	98
13	18	31	26	22
2,125	2,526	2,869	2,822	2,650
2,968	2,608	2,646	2,676	2,097
3	9	8	10	8
20	8	6	15	11
29	24	25	25	26
2	2	9	9	11
3	2	2	2	3
5	5	5	5	5
2,149	2,403	2,496	2,508	2,913
1,981	2,164	2,215	2,306	2,232
5,872	6,688	7,256	6,300	6,997
347	375	323	337	58
1,067	1,430	1,169	1,422	2,346
32	35	36	38	40
2,784	2,664	2,556	1,857	1,624
12,322	13,992	13,555	13,070	14,003
439	432	412	441	1,178

COUNTY OF ERIE, PENNSYLVANIA
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 LAST TEN YEARS
 (CONTINUED)

Function/Program	2022	2021	2020	2019	2018
Corrections:					
Adult probation caseloads	4,189	4,200	4,306	4,820	4,746
Delinquency petitions	465	384	421	606	605
Delinquents in placement	165	44	56	74	73
Community Service:					
Agricultural easement purchase	4	3	7	-	4
Land use reviews	233	177	198	221	194
Subdivision and land development reviews	174	184	187	194	204
HPMS sample section field reviews	131	131	131	132	131
Local bridge inspection program inspections and traffic courts	23	56	31	31	29
Calls received at Emergency 911 center	127,737	135,540	129,668	133,874	134,566
Drug and alcohol general admissions/completed screenings	4,147	3,427	3,325	3,105	3,221
Drug and alcohol clients authorized	1,561	3,021	3,282	2,999	2,904
Drug and alcohol treatment providers	26	23	21	19	20
Children and youth abuse referrals	1,286	1,280	1,225	1,568	1,436
Children and youth intake evaluations	5,136	5,148	4,443	4,321	4,133
Children and youth placements	986	997	871	922	717
Mental health/intellectual disabilities clients in various programs	14,672	15,103	16,570	16,771	16,753
Cost of mental health/intellectual disabilities services (in millions)	24	23	25	58	59
Health Choices members in various programs	18,696	18,547	17,699	18,106	18,159
Costs of Health Choices services (in millions)	83	75	72	80	77
Library:					
Bookmobile circulation	16,737	19,583	14,143	19,454	18,017
Main library circulation	403,171	346,593	292,957	488,238	515,225
Branch library circulation	571,479	501,095	425,661	618,787	621,738
	180,977				
Public Health:					
Immunization client visits	1,033	340	100	774	793
Sexually transmitted disease client visits	76	107	194	760	861
Tuberculosis client visits	1,035	911	608	865	1,459
Nursing Home:					
Nurse Family Partnership client visits	1,188	745	1,001	1,001	1,294
Maternal child health client visits	56	95	448	448	571
Average daily census in nursing home	191	192	252	252	27

2017	2016	2015	2014	2013
3,723	3,457	3,170	3,052	3,033
615	509	596	643	896
81	89	104	106	100
1	5	1	3	-
179	207	202	260	247
180	199	340	340	155
132	132	134	134	133
111	74	142	91	152
130,112	134,232	143,897	169,052	172,596
3,480	3,954	3,731	3,948	4,124
3,137	3,564	3,636	3,559	3,644
21	21	19	16	16
1,371	1,342	1,345	952	856
3,589	3,422	3,267	2,704	2,711
663	632	649	607	515
17,465	15,743	19,766	19,609	17,971
59	58	56	54	51
17,962	17,423	16,037	14,754	14,564
74	73	70	68	59
23,540	19,300	19,359	14,952	22,529
543,012	557,855	562,757	590,724	610,852
640,803	659,222	669,976	676,990	685,543
1,279	1,375	856	1,141	870
882	923	5,495	503	1,559
1,485	1,498	813	2,329	3,275
1,183	1,297	1,286	1,231	1,387
708	511	517	736	695
276	274	307	346	337

COUNTY OF ERIE, PENNSYLVANIA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2022	2021	2020	2019	2018
General Government:					
Buildings	4	4	4	4	4
Square footage	221,210	221,210	218,218	218,218	204,943
Vehicles	125	122	119	119	32
Courts and Court Related:					
Sheriff vehicles	25	26	26	26	26
Sheriff search and rescue boat	0	0	0	0	0
Other department vehicles	13	13	10	0	1
Public Defender:					
Buildings	1	1	0	0	0
Square footage	5,585	5,585	0	0	0
Corrections:					
Prison facilities	2	2	2	2	2
Square footage	202,123	202,123	202,123	202,123	205,720
Number of beds	692	692	692	692	692
Prison vehicles	7	8	8	4	2
Juvenile Detention center square footage	11,194	11,194	11,194	11,194	11,704
Juvenile Detention center beds	19	20	20	20	20
Probable vehicles	19	19	16	16	15
Community Service:					
Human Services building	1	1	1	1	1
Square footage	56,784	56,784	56,784	56,784	39,844
Emergency management vehicles	34	34	34	35	10
Emergency management watercraft	0	0	0	0	0
Dependent shelter square footage	7,462	7,462	7,462	7,462	7,462
Depended shelter beds	8	8	8	8	8
Public Health:					
Buildings	2	2	2	2	2
Square footage	25,050	25,050	25,050	25,050	27,168
Health Department vehicles	7	4	4	4	2
Nursing Home:					
Number of nursing homes*	1	1	1	1	1
Combined nursing home square footage	194,552	194,552	194,552	194,552	194,552
Average number of beds*	300	300	300	300	300
Library:					
Blasco Memorial Library	1	1	1	1	1
Blasco square footage	166,446	166,446	166,446	166,446	158,200
Branch libraries	4	4	4	4	4
Combined branch square footage	25,526	25,526	25,526	25,526	25,249
Library vehicles	4	3	2	3	3

Sources: County of Erie Operation Department and Pleasant Ridge Manor

*Pleasant Ridge Manor (closed to East location in 2015) is a blended component unit.

*Bed counts change on specific dates, making it necessary to take available bed days divided by days in the year to determine an annual average number of days.

2017	2016	2015	2014	2013
4	4	4	4	4
204,943	204,943	204,943	204,943	204,943
9	9	9	9	7
28	25	25	25	25
0	0	0	0	0
1	1	1	11	14
0	0	0	0	0
0	0	0	0	0
2	2	2	2	2
205,720	205,720	205,720	205,720	205,720
692	692	692	692	690
6	6	6	6	6
11,704	11,704	11,704	11,704	11,704
20	20	20	20	20
15	15	15	15	14
1	1	1	1	1
39,844	39,844	39,844	39,844	39,844
12	12	12	12	12
3	3	3	3	3
7,462	7,462	7,462	7,462	7,462
8	8	8	8	8
2	2	2	2	2
27,168	27,168	27,168	27,168	27,168
3	3	3	3	5
1	1	1	2	2
194,552	194,552	194,552	237,287	237,278
300	300	300	388	388
1	1	1	1	1
158,200	158,200	158,200	158,200	158,200
4	4	4	4	4
25,249	25,249	25,249	25,249	25,249
2	2	2	2	2

COUNTY OF ERIE, PENNSYLVANIA
SALARIES OF PRINCIPAL COUNTY OFFICIALS
AS OF DECEMBER 31, 2022

		Salary
<u>Elected Officials:</u>		
Council Chairman (part-time)	Brian Shank	\$ 11,868
Council Members (part-time)	Andre Horton	10,868
	Terry Scutella	10,868
	Jim Winarski	10,868
	Mary Rennie	10,868
	Ellen Schauerman	10,868
	S Charles Bayle	10,868
County Executive	Brenton Davis	109,000
County Controller	Kyle Foust	76,138
District Attorney	Elizabeth A Hirz	224,468
Sheriff	Christopher Campanelli	93,958
Coroner	Lyell P. Cook	77,738
Clerk of Records	Aubrea Hagerty-Haynes	90,025
Common Pleas Judge	Joseph M. Walsh III, PJ	Paid by Commonwealth
	Erin C. Connelly-Marucci	Paid by Commonwealth
	John J. Mead	Paid by Commonwealth
	Elizabeth K. Kelly	Paid by Commonwealth
	Daniel J. Brabender Jr.	Paid by Commonwealth
	Stephanie Domitrovich	Paid by Commonwealth
	John J. Trucilia	Paid by Commonwealth
	Marshall J. Piccinini	Paid by Commonwealth
	David G. Ridge	Paid by Commonwealth
District Justices	13 Total	Paid by Commonwealth
<u>Officials Appointed by County Executive:</u>		
Director of Administration	Doug Smith	\$ 92,429
Director of Finance	James Sparber/Paul Lichenwalter	95,567
Director of Human Resources	Amanda Cypher/Ann Villella	90,383
County Solicitor	William Speros (3/22-12/22)	122,833
Public Defender	Nicole Sloane Kondrik	106,003
Assistant Public Defenders	7 Full Time 10 Part Time	960,375
<u>Employees:</u>		
The County employs an average of 1,200 full-time equivalent employees (calculated by dividing total paid hours by 37.5 hours work week), including those described above, at an average annual compensation of:		\$ 50,749
The highest paid non-elected employee is the Senior Solicitor of the Office of Children and Youth Services at:		120,684
Employee compensation is determined in accordance with the County Personnel Code, Pay Plan, and Bargaining agreements.		
<u>Pleasant Ridge Manor:</u>		
Pleasant Ridge Manor employs an average of 280 full-time equivalent employees (calculated by dividing total paid hours by actual hours paid as appropriate for each pay class) at an average annual compensation of:		\$ 45,376

COUNTY OF ERIE, PENNSYLVANIA
COLLECTIVE BARGAINING AGREEMENTS
AS OF DECEMBER 31, 2022

<u>Collective Bargaining Unit</u>	<u>Employees Represented</u>	<u>Expiration Date of Current Collective Bargaining Agreement</u>
AFSCME Clerical & Technical	277	December 31, 2022
AFSCME Professional	73	December 31, 2022
PSSU Prison Employees	125	December 31, 2022
PSSU Children & Youth Supervisors	26	December 31, 2022
PSSU Caseworkers	108	December 31, 2022
Erie Court Assoc. of Professional Employees	105	December 31, 2022
Erie County Detective's Association	<u>9</u>	December 31, 2022
Total Represented Employees	<u><u>723</u></u>	

Source: *Erie County Department of Human Resources Labor Report*